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ABSTRACT

This paper examines the history of Northern Illinois University (NIU) Foundation, established to increase facilities of the college for broader educational opportunities for and service to its students, alumni, and citizens of Illinois. Each chapter examines one of five periods in the Foundation's history: 1949-1967, 1968-1970, 1970-1973, 1974-1978, 1979-1989. Issues discussed include how student loans were made more available; the role of NIU in reaching an ever widening circle of donors in supporting the Foundation's activities, assuring continued growth of its investments, the eventual separation of the Foundation from the University, and the formation of its operating committees. Also highlighted are efforts made by the Foundation towards streamlining its organizational charter and fund-raising policies, as well as the various large property acquisitions made over the years and some of the difficulties associated with them. Contains 223 references. (GLR)

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THE NORTHERN ILLINOIS UNIVERSITY FOUNDATION, 1949-1989

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CHAPTER 1: BEGINNINGS, 1949-1967

Valerie Yow

Northern Illinois University, just after the Second World War, was a teachers' college with 122 faculty members and about 1,600 students. Twenty years later there were 1,026 full-time faculty members and 18,057 students. Even on a daily basis, the people who observed this metamorphosis of caterpillar into brilliant butterfly with wings soaring were astonished. One development in this growth was the setting up of an institution never thought of before on the Kishwaukee River: the Northern Illinois University Foundation. Its original purpose -- to invest student scholarship funds -- changed to meet the needs of a changing university. The history of the foundation and the university are inseparable, and it is an exciting and dynamic history.

Before the war, when there was no foundation, President Karl Adams kept a small sum of money in his office--some say in a shoe box--to help students and faculty with emergency loans. This was the interest on gifts from graduates over the years, funds which had been accumulating since 1900. A major gift from the estate of an alumnus, Andrew Brown, in 1916 had boosted the amount invested to over $30,000. When Leslie Holmes became president in 1949, he realized the shoe box would overflow when another major gift was received. And indeed it did overflow when a memorial gift of $5,000 was contributed by alumni and friends in the name of the past president Karl Adams. The memorial provided scholarships for students. Now it was imperative to establish an investment policy for both awards and loan funds and to define consistent criteria for awarding loans.

Other Illinois state institutions were experiencing similar growth patterns in numbers of students and faculty. They were setting up foundations to manage growing student loan funds and scholarship funds. Emil Anderson, the business manager at Northern, urged Holmes to follow their example.[1]

On March 17, 1949, Anderson wrote Holmes a memorandum in which he submitted a draft of a constitution for a "Northern Illinois State Teachers College Foundation." With such a constitution, Holmes could petition for incorporation of the foundation as a non-profit corporation and receive a charter from the state. Anderson pointed out that the Teachers College Board had already approved the creation of similar foundations at Illinois State Teachers College and at Eastern Illinois State Teachers College.[2]

Holmes probably also consulted Paul Street and J. Robert (Bob) Hainds. Street, who was respected for his teaching in the English department and loved for his sense of humor and compassion, took care of public relations at Northern. Hainds, an English professor, was at that time working with Holmes on the creation of a graduate school at Northern.

Undoubtedly, they supported Holmes' plan to set up a foundation because on March 31, 1949, Holmes, Street, and Hainds signed articles of incorporation for the Northern Illinois State Teachers College Foundation. They had a vision of what the foundation would become and wrote it clearly in the statement of purpose for the articles of incorporation:

> To assist in developing and increasing the facilities of Northern Illinois State Teachers College for broader educational opportunities for, and service to, its students, alumni, citizens of the

State of Illinois, and nation by encouraging gifts of money, property, works of art, historical papers and documents, museum specimens, and other material having educational, artistic, or historical value, and by such other proper means as may seem advisable.

The incorporators went on to say that this not-for-profit corporation would have the "power to purchase, take, receive, lease as lessee, take by gift, devise or bequest, or otherwise acquire, and to own, hold, use and otherwise deal in and with any real or personal property or any interest therein."[3]

With only $35,000 in hand, were they dreamers to talk of such plans? As the history of the foundation unfolded, they found even these plans mild in comparison to the reality of what was achieved.

The first two years of the foundation, however, were quiet and hardly noticed in the university community. Anderson advised President Holmes to proceed with completion of the organization. The tentative constitution enabled the president to choose two other people for the executive committee. The executive committee was then empowered to invite a member of the alumni association and three other people to form the Board of Directors.[4]

For the executive committee, Holmes chose Anderson and one outsider, the Illinois politician, Noble J. Puffer, who would be the committee's voice in Springfield. He was then Director of Registration and Education for the state.

They called their first meeting of the board of directors on April 4, 1950. Expertise of different kinds was represented here. Present ex-officio were the three on the executive committee, Holmes, Anderson, and Puffer. The board members they had chosen were distinguished in the northern Illinois area. J. Robert Hainds was an energetic administrator. Eleanor Zulauf, a professional woman active in local civic affairs, was the representative elected by the alumni association. Charles Raymond was the business manager of the DeKalb Daily Chronicle and a member of the Board of Directors of the Illinois State Chamber of Commerce and of the board of the DeKalb Building and Loan Association. Charles Bradt was affiliated with the First National Bank of DeKalb. And George Spitz, a judge, was the president of the DeKalb Chamber of Commerce.

President Holmes presented the reasons for organizing the foundation and progressed to the chief business: voting on the constitution and electing officers. The relationship of foundation to university according to the constitution seemed uncomplicated at the time. The university president and his head of business affairs handled the foundation's day-to-day business. The board of directors met on a regular basis once a year or in a special meeting when an important matter had to be decided immediately. No one received a salary. There was no director. The foundation, however, was a non-profit corporation separate in structure from the university, even though many of the people holding office in it were university employees. The board members elected Charles Raymond president, Charles Bradt, vice president, and J. Robert Hainds, secretary-treasurer. The board agreed that three additional members would be added and that one would be a faculty member. They decided that the depository of the foundation's funds would be the First National Bank of DeKalb and that the trustee for securities would be the DeKalb Trust and Savings Bank.[5]

By the next meeting, June 19, 1950, President Holmes was urging the foundation to take over the student loan fund which now amounted to over $35,000. Judge Spitz agreed to carry out the legal transfer of this money to the foundation. Holmes was also concerned that the officers were being asked to approve or disapprove loans from the student loan fund to faculty and staff at the college. Faculty and staff in the past had benefitted from the president's fund. Now the board decided that only registered students could receive loans. The officers reviewed the foundation's assets. They had already invested $4,000 in United States Savings Bonds, had received an additional $1,500 in bequests, and had $525 in checking.[6]

These were not huge sums, even for 1950. At the next board meeting a year later, June 18, 1951, the members allocated $300 from interest on investments and donations from college employees for use as petty cash for an entire year.[7]

At the third annual meeting on June 11, 1952, the board added three new members: Dr. Chauncey Watson, a member of one of the oldest DeKalb families and a civic-minded person; Dr. J. A. Spickerman, a dentist; and G. W. Hathaway, an executive with Central Illinois Light Company and a member of the college's governing board. The executive committee, on September 9, agreed that the Deans of Men and Women and the Graduate School Director would make recommendations concerning students who should receive loans. The loans would vary from $50 to $250 and would be available to students after their first quarter on campus.[8]

The board members confronted two problems when they met on October 21, 1952: Northern needed a flag pole and a piano. They decided to contact

alumni and other friends to ask for funds. President Raymond suggested that "solicitations might be made from alumni which, over a period of years, would provide considerable funds." This was a major step, moving from a receiver of gifts to an active seeker of funds.[9]

In the first three years, then, the foundation's way of operating for the next decade was shaped. Trustworthy business people and academicians would serve the foundation without compensation. They would make cautious investments, usually in government bonds. (An exception was made in 1954 when $3,000 was invested in Building and Loan Association shares.)[10] They would lend the interest, never touching the principal. They would supply tuition and book money to full-time students, requiring little interest and exercising much patience in collecting on the loans. (At that time, yearly cost for board, tuition, books, and fees was less than $500.) They would ask alumni for donations for specific needs. The business office at the university would handle the money and accounting for the foundation. Accounts would be audited by the university's auditor.[11]

There were changes in personnel on the board. The untimely death of Emil Anderson in 1954 was a loss felt by all the board members and the university community. Harold Dorland, who succeeded Anderson as Director of Business Affairs, automatically became secretary-treasurer of the foundation. The alumni representative Eleanor Zulauf (a public spirited and gracious woman, the daughter of university professor Swen Parson and wife of Dean of the Faculty Romeo Zulauf) became vice president and served for several years in that office. In 1959, Dr. Spickerman became president. As the college changed its name, the foundation kept in step. In 1955 it became "Northern Illinois State College Foundation" and in 1957, "Northern Illinois University Foundation."

The most significant change in the early years, however, was caused by a force outside the university. As a result of the Russian launching of sputnik, the United States government decided to pour money into the support of higher education. The National Defense Loan Account provided $9 from the federal government for every matching $1 from the college or university. Northern was eligible for $118,000 if it could provide matching funds of $19,007.44. In 1959 the foundation board members were informed by their secretary-treasurer Harold Dorland that the foundation had approximately $54,000 in the student loan fund and of this, $28,000 was unrestricted. He asked for permission to transfer foundation securities to the amount of $28,000 to provide sufficient working capital for student loans.[12]

The next November (1959), a special meeting of the board was called to discuss the projected $140,000 in National Defense loans to be granted in 1959-60.[13] The number of student loans granted by the foundation in 1957 was only 32; there were 58 loans in 1958, but by 1960, there were 144.[14] The foundation was reimbursed by the students as they paid back their loans, but ready cash had to be provided at the outset of the process and the foundation was able to do this.

As a result of the increased number of student loans available, the university set up a financial aids office, which determined who received loans and the amount. The foundation continued to be the repository of gifts destined to provide student loans and awards and to administer the funds. The university cashier's office handled disbursement and repayment.[15]

After a decade of receiving gifts, a startling change came in 1962 when the foundation itself became a borrower. The pressure of growing student

populations on college campuses in the state induced the legislature to assist in the building of needed classrooms and dormitories. The legislators passed the State Building and Bond Issue. When a state institution of higher education needed to build, it carried out a feasibility study and reported the findings to the Teachers College Board for the State of Illinois. The board governed Eastern Illinois University at Charleston, Illinois State Normal University at Normal, Northern Illinois University at DeKalb, and Western Illinois University at Macomb. The board appropriated the funds for building at each institution from the State Building and Bond Issue.

Northern built a classroom building, Graham Hall, a library addition to the Swen Parson building, and on the Lorado Taft campus in Oregon, Illinois, a dining room and dormitory. Harold Dorland said that the buildings were to be "turn-key jobs," completely finished so that the university officials had only to open the doors. In fact, they discovered that when they did open the doors, there would be no furniture. The appropriation had not covered furnishings and the State Building and Bond Issue could not be used to purchase furniture. Governor Otto Kerner met with the chairman of the Illinois colleges' board and considered the problem. He told him to borrow the money for movable equipment and he would see that this cost became a priority in the next state budget. (The legislature met only every other year.)[16]

Dorland was instructed by the state board to go to the First National Bank in Chicago, contact a Mr. Glover, and ask for $200,000. He had not done such a thing before, but he cheerfully went to the bank. Glover wanted to know what the foundation intended to use as collateral. Dorland replied, "We have the governor's word that he would see that this was first priority on the

next year's budget." Glover cooly remarked, "Well, I'll take that. Mr. Kerner is my brother-in-law."[17]

The foundation thus served the university well by buying the furnishings and leasing them to the university. When the next legislature met, the money was appropriated and the university was able to buy the furnishings from the foundation. Lease money paid the interest on the loan. The foundation did not make money, neither did it lose.[18] The university itself, since it was a state institution, could not have borrowed the money. The foundation, because it was a private organization, could get the funds. When students came to the university the next semester, they found desks to work at because the foundation existed. The next year (1963) the original loan was extended to provide furnishings for buildings under construction then.[19]

By 1965, with the numbers of students still growing and the need for dormitory and classroom space critical, land to build on became an important concern. The foundation, in its early days, had not considered buying property.[20] However, it was clear as lots along Normal Road and Lucinda came up for sale, that the university would lose the opportunity to acquire needed land because it had to wait until the next legislature appropriated the money. The cost of land at that time continued to escalate.[21] Some university officials feared that people with commercial interests would act quickly and might very well turn the area around the university into an unattractive nest of fast-food places and taverns. In the mid-sixties it became evident that lots at 501 Garden Road and 535 Lucinda Avenue (the latter referred to as the Skorberg-Gillen properties) would come on the market. The foundation faced the problem of whether to take a giant risk and borrow the money to purchase them for the university or to let the properties be sold to private interests.

Harold Dorland talked to people at the University of Illinois at Champaign and found that their foundation was buying property and holding it until the state legislature appropriated money so the Board of Regents could purchase it from the foundation. The board at Northern became seriously interested in land purchase and discussed the possibility of establishing a large line of credit with a Chicago bank.[22]

The foundation board members also worked to build a closer link with the alumni association. The relationship of the foundation with the alumni association had been similar to that of two kids at the same desk in school. They shared the same position of being there to serve the university but not being an integral part of it. The alumni association solicited annual dues from alumni; the foundation received bequests and gifts. From time to time, attempts were made on both sides to coordinate activities.[23] An alumni representative sat on the foundation board. Members of the foundation board were invited to meetings of the alumni association.

The alumni association early in 1963 hired an executive director Melvin R. Nickerson (known to his friends and colleagues as "Mel"). He wrote Dorland in response to an invitation to attend a foundation meeting, "The purpose of alumni relations is very similar to the objectives of the Foundation....." He said the main job for his organization was to build a good relationship with alumni. He advised, "Once we develop a solid interest in the University among its graduates, we can then look to greater effort and support for University needs." He assured Dorland, "Once they become interested, they can be

solicited for major University projects which the Foundation may wish to undertake."[24] It would appear, then, that early in the sixties, the foundation was already discussing the idea of a major fund raising campaign.

During 1964 board members considered hiring a full-time director for the foundation. Nickerson, who had formerly been involved in alumni work at the College of the Pacific, was intent on building an alumni organization at Northern. He continued to urge foundation members and university officials to hire a professional fund raiser, a director of development.[25]

In 1965, Francis Geigle, the executive vice president and provost at Northern, instructed the director of community relations, William Froom, to seek a director of development. It was expected that the new man would also become the director of the foundation. Froom invited John Sayre, the executive director of the foundation at Marshall University in Huntington, West Virginia, to come to Northern for an interview. Sayre's advice was that the alumni association should be a friend raiser, the foundation should be the fund raiser.[26]

Sayre was a pleasant person and experienced and assertive, as well. He had ambitious ideas about fund raising. Board members and university officials were impressed and hired him. He came to the university in 1965 with the official title of Assistant Director for Alumni Affairs and Development. Sayre's salary as director of development was paid by the university; the job of foundation director was unpaid.

When Sayre came, he found a small office where he shared one secretary with Melvin Nickerson. There was one address clerk and several student helpers, and the mail room at the university took care of mail. Printing

services did the printing of whatever brochure or announcement was needed. The news bureau and the publications editor published the alumni magazine. Volunteers from the alumni association came in to help with special tasks.[27] During his four years at Northern, Sayre increased the staff to include experts in fund raising and additional office workers.

Sayre's idea was that a development office first asks for help from members of the family--that is, graduates, faculty, and students' parents. Only after these constituencies have been contacted, does the university turn to business and industry. Accordingly, his first step was to seek funds from alumni. This came as quite a surprise to many who had already given a war bond of $18.75 to the alumni association and therefore had become life members. Others who paid their annual dues of $2 to the alumni association wondered why they were being asked for additional contributions.[28]

Sayre had much to do in public relations. His first task was to educate the public. He explained that the university, as a state institution, could not legally accept a gift. Foundations are listed with the Internal Revenue Service as 501(c)(3) organizations, which means that any contributions made to them are eligible for a tax-deductible contribution status. Friends and alumni could see that their gifts would not become part of the university's income if given to the foundation; rather, they would remain in the foundation's investments, and the donor could designate the way the donation would be used for the university's benefit.[29] For these reasons, the foundation became the sole receiver of gifts to the university.

Alumni soon understood the university's need, and substantial alumni contributions came in. Sayre started a parents' club, as well. But this was

just the beginning. At a special meeting of the board members to consider fund raising on December 12, 1965, Sayre presented his eight-point plan for raising funds: (1) expand and intensify the Alumni Giving Program, (2) institute a Parents Club, (3) create student cultivation through the class of 1966, (4) publish and distribute a foundation brochure, (5) start preparing the case for educational fund raising, (6) identify deferred-giving prospects, (7) consider retaining a professional fund raising consultant, (8) and expand the foundation into a dynamic fund raising organization.[30] Sayre reminded the board that the first and second tasks were already underway. Lengthy discussions followed Sayre's presentation and that of a professional fund raiser, Milton Smith, who wished to become a consultant to the foundation. These ambitious plans dazzled board members. Judge Spitz ended the meeting by explaining that foundation officers and university officials would have to determine if this could be done. Support for Sayre was forthcoming, and he completed the program he had outlined. Milton Smith was hired on a per diem basis beginning in September 1967.

Nickerson left in 1966 to return to his home in California, and Sayre found himself in charge of the alumni association as well as development, tasks which he preferred to see separate and complementary rather than combined. He believed his concentration should be on fund raising. He was glad when, a little later that year, Thomas Woodstrup came to the university as Director of Alumni Relations.[31] Sayre and Woodstrup published an attractive brochure in 1966 which was called "Investors in Developing Human Resources." Essentially it was a way of honoring publicly the alumni who had given to the university.

At the end of 1966 Sayre and the executive committee decided to enlarge the board so that the constituencies from which the foundation could draw help would be represented. A letter from the office of President Leslie Holmes explained to the potential members:

> We need to provide more channels for leadership to assist with the development program of the University, to help meet the varied challenges which come from a rapidly growing academic, athletic, cultural, and building program. To be successful, the Foundation must have broader representation and hence, a wider perspective.[32]

The enlarged board was to consist of a minimum of 22 persons. In addition to the four ex-officio members (university president, executive vice-president and provost, vice president for business affairs, and the chairman of the state board), there would be eighteen elected members, six from each of three categories: alumni, business/professional/industrial, and faculty-staff. The board's function had clearly been changed from its former advisory role to that of a participating role in fund raising. A new constitution was drawn up, reflecting these changes in board membership.

Judge Spitz had become the foundation president in 1960 and served the foundation well in the first seven years of the sixties. He died in 1967 and was greatly missed. Beginning in 1966, Harold Dorland was vice president, and Roy France, treasurer.

Dr. Holmes retired in 1967. He had seen the university through years of rapid growth after World War II and had worked with dedication over the years. Most important to the foundation, he had been a consistent supporter.

Indeed, the needs of the university were of pressing concern to everyone in the administration. A needs assessment survey was carried out by each academic dean in 1966. The report listed needed buildings and improvements which would cost over a million dollars.[33] While the state legislature might appropriate money for some of this building, it was clear by 1967 that the university's foundation would have to raise considerable sums. The foundation was ready to meet this challenge because of the farsighted leadership of Leslie Holmes and of the work of the board members in the first eighteen years.

CHAPTER 2: THE PURSUIT OF EXCELLENCE, 1968-1970

Willa Cramton

As 1968 began, Northern Illinois University was undergoing a rapid, tumultuous period of change which directly challenged the NIU Foundation to maintain, and even increase, its supportive relationship with the university. The number of students and faculty had doubled in the previous five years. There was no denying that this population explosion demanded more physical facilities. In spite of prevailing state budget constrictions for higher education, it was imperative to match quantitative growth with academic quality, especially in developing new graduate programs. The Board of Regents, the new governing structure for Northern Illinois and Illinois State University, was barely six months old. Within NIU, administrative reorganization was also underway. Complicating these local changes, NIU and the DeKalb community found themselves in the path of the winds of social protest which swept across the nation's college campuses in the late 1960s and early 1970s.[1]

Two new people assumed jobs about this time who symbolized the changes at NIU. Dr. Rhoten Smith, consciously selected in 1967 as a new type of president for the university, spoke of a sense of "mission" for a "true university," in a new era, where excellence and opportunity, rather than mere growth, were key concepts. Smith recognized that such "mature" universities had to go beyond being state-supported to being state-assisted. He believed they had to depend not only upon state education tax funds, but also upon the private and federal sectors in order to fully meet their diverse needs.[2] Like his predecessor, Dr. Holmes, he was a strong supporter of the foundation.

Within months of Rhoten Smith's assuming the university presidency, the NIU Foundation Board of Directors elected Paul Alongi to be its president, filling the vacancy created by the death of Judge George Spitz. Alongi, formerly alumni association president, was head of a Rochelle construction company which did a considerable amount of business in the DeKalb area. His selection reflected foundation consciousness of the need to reach a broader group in business and industry. Expressions used to describe him by people who worked with him underscore the developing ideal for foundation leadership: "go-getter," "dynamic individual," "outgoing," and "had a lot of initiative." One member commented that Paul Alongi, as foundation president, "added emphasis to the growth and vitality of the university program."[3]

In the two years John Sayre had been the foundation's first development professional, he had refined a general goal of expanding into a more active fund raising agency to a specific educational fund raising program.[4] From 1968 through 1970, in a time of unrest and "agony of change,"[5] Sayre and Alongi, with foundation colleagues, worked with the new university president to extend the base of support for the university to a wider community and to extend the foundation's areas of service to the university.

One of the ways the foundation expanded university support was through a major constitutional amendment adopted at the June 1968 board meeting. A general membership category, added to the enlarged board of directors created in 1966, permitted the foundation to broaden its base of involved volunteers up to a total of two hundred. The purpose of the general membership designation was "to offer [by invitation] persons demonstrating an active interest in supporting Northern Illinois University through deed, finances or

both [an opportunity] to become an official part of the University community."[6]

Members of the board of directors were elected by and from the general membership, so the new category provided a training ground for later board involvement. The board recommended people for general membership, but the whole group voted for their election. In a sense, general membership provided a democratic check on the board, for a special meeting could be called, if its purpose were stated, by one-tenth of the members, as well as by the board.

General membership changed the meeting pattern of the foundation. According to Roy France, an officer from 1966 to 1980, the foundation moved from informal board meetings over lunch twice a year, with verbal agreement on proposals, to a "much more formal organization." The board still met twice a year, but much of the practical business was done between meetings by the executive committee and delegated groups, such as an investments committee, which presented formal reports to the annual general meeting for approval. Sometimes urgent matters were taken care of by telephone or by mail.[7]

A second way the foundation attempted to increase support for the university was to launch, in July 1968, its first campaign for major financial support--the "Commitment to Excellence" program. The campaign represented the official refinement and extension of early foundation plans to seek out gifts. It included older elements of the educational fund raising program first put together when John Sayre was hired as fund raiser for the foundation, plus a new, concentrated thrust into the broader northern Illinois corporate community.[8]

New, professionally-designed brochures introduced Northern and the foundation and presented the case that private support for public education provided the "margin of excellence" between "good" and "great" universities. Phase I of "Commitment to Excellence" covered two academic years, 1968-70, with a goal of $500,000. The departmental "Needs Determination Survey" (referred to in the preceding chapter) targeted areas in need of private support: faculty (special professorships, lectureships, and research); student (graduate fellowships and undergraduate student aid); and program (library and fine arts enrichment). Possible donors were offered the choice of designating specific programs or giving unrestricted gifts. A variety of possible gift programs, including deferred giving, were suggested.

The campaign reached out to ever widening circles of potential donors--students, alumni, faculty, staff, parents, and the DeKalb community. The major new emphasis, however, was to locate systematically a "Corporate Giving Segment" sympathetic to the university, make them aware of its needs, and encourage gifts of substantial amounts on a regular basis. Phase I efforts concentrated on reaching business and industry in DeKalb County, Rockford, and Rochelle, as well as university vendors. Later phases were planned to extend the program over a wider area of Northern Illinois.

As part of the corporate program, a series of President's Dinners for area business and industrial representatives were held in the student center. As follow-up to the dinners, representatives from the foundation and development staff visited each participant to determine his or her "Commitment to Excellence."[9]

In January 1969, Executive Director John Sayre considered the response to the first four dinners (to which 71 of the 137 invited came) as "favorable." Two firms had made commitments. But he believed that the dinners were more significant as an attitude survey and as a vehicle to "start people thinking about NIU as an institution which requires financial assistance from private sources and will identify the ways in which they can become associated with the university."[10] By April, seventeen corporations and individuals had become Associates in Educational Development. Sayre felt that the associates would "provide a significant group of corporate leaders upon whom President Smith may call from time to time for suggestions in devising university programs which will be of greater service to the corporate community as well as the community at large."[11]

Progress reports for "Commitment to Excellence" Phase I, 1968-70, showed that less than 20 percent of the $500,000 goal was reached, due, at least in part, to negative community reactions to local and nationwide campus unrest (discussed later in this chapter).[12] However, the funds received represented new corporate and individual friends of quality education at Northern. With the monies, several departments were able "to stretch and do a little bit more than they would be able to do just with the tax dollar."[13] A new survey of departmental needs was underway, and the apparatus was in place and tested for the next fund raising phase.

As the foundation expanded its efforts to recruit friends for the rapidly growing university, it was also called upon to extend its services to Northern. In anticipation of state appropriations for much needed physical expansion, the foundation became an agent for land acquisition. In April 1968

a one million dollar line of credit was established with the First National Bank of Chicago; the following month, the Skorberg-Gillen property (east of Normal Road, between Lucinda and Garden) became the first major purchase. By January 1969 the foundation had acquired a total of sixteen parcels of land. Some had already been purchased by the state. Others were leased to the university until appropriations became available; the university paid the interest on foundation loans and covered maintenance. In the interest of ultimately saving tax dollars through long-range planning, the foundation board voted in June 1969 to extend its credit line with First National Bank to three million dollars. The intent was to acquire land which fit within the university's four-year building program as soon as it came on the market, even though appropriations had not yet been approved.[14]

The acquisition process for various NIU property transactions in this period formed a fairly consistent pattern. University administrators knew the needs and were aware of property becoming available. The Board of Regents, if they approved, issued a resolution authorizing the foundation to act as financing organization to acquire and hold the property until appropriations were available. Sometimes, as in the case of the Skorberg-Gillen group, the old buildings were retained for some time to serve immediate needs such as staff offices. Besides the Skorberg-Gillen location, an area called "the thumb" on the north side of Lincoln Highway between Carroll and Normal was the chief site of land purchases from 1968 through 1970.

The foundation's acquisition program also brought Northern its first official president's residence. Previously, university presidents had purchased their own homes, but there was a state-wide movement to provide an

official setting in which the new kinds of presidents could entertain and do fund raising. The legislature expected such a purchase to come out of a university's annual budget, so the foundation in 1970, at the request of the Board of Regents, purchased a home for NIU presidents on Woodlawn Avenue, to be paid back gradually through a lease agreement.[15]

Another example of the foundation's extension of service to the university was perhaps less spectacular than land acquisition, but vital to supporting all other activities--the development of a more sophisticated investment program. Seeking larger and more dependable sources of support through the "Commitment to Excellence" program meant that more diversified types of gifts would be accepted, and that management of all funds would have to undergo increasing public and potential donor scrutiny, as well as outside audits. To meet larger demands on its resources, the foundation had to find ways to maximize income from investments. However, it also needed to respect long-held policies of minimizing risk to capital by limiting holdings to government securities, savings and loan banks, etc.

As far back as 1958, the secretary-treasurer, who had to be a university business office staff person, did all banking and investing for the foundation along conservative guidelines stated in the constitution and bylaws. The 1966 constitution similarly defined the treasurer as administrator of all fiscal matters. Roy France, who held the job then, said it meant a lot of "legwork," such as checking on interest rates.

> [If I] found out that one savings and loan was paying a half a percent higher than somebody else, that's where [the investment] went, and I would carry the check to the bank or the savings and loan and get it invested.[16]

As holdings increased, France saw the need for more clearly defining fiscal responsibility. In January 1969 he asked the board to appoint a "committee to develop a basic philosophy of investment to meet the current and future needs of the foundation, and guidelines to assist the treasurer in administering the program."[17] The result was the establishment of a five-member investments committee and a written policy formally adopted at the January 1970 board meeting. Dr. John Kreidle of the university finance department served as advisor in drawing up the policy and he served on the early committee. With some modifications, this policy continues to the present day.

Basically, the new policy extended the possibilities for investment to common stocks and other safe securities, although no more than ten percent of the foundation's net assets could be in any one security besides government, savings and loans or a mutual fund. Nor could more than ten percent of net assets be invested in securities issued by any one organization, except block donations of securities and mutual funds. No one involved with the committee or university could be paid for services.

The program objectives were (1) long-term appreciation of capital and (2) income from dividends and interest. The "prudent man" rule was followed, that is, avoiding speculation, but "considering the probable income as well as the probable safety of capital." Definition of the committee's management responsibility to the foundation and other relevant changes involving control

of funds and custody of securities were defined by revisions in the constitution and bylaws in 1970.[18]

Other, more traditional projects undertaken in the late sixties suggest the variety of ways the foundation worked as a supportive vehicle for university life. In the pursuit of encouraging excellence the NIU Foundation was concerned with spotlighting Northern by recognizing individuals who had made outstanding contributions of service. An awards program was established in 1970 and the first presentations were made at the June general meeting of the foundation. NIU Foundation Humanitarian Awards were given for service to the community at large and for service to general higher education. NIU Foundation President's Awards honored direct service to Northern and service to Northern through the foundation. Persons on the foundation board of directors, active in politics, or deceased were not eligible for nomination; and the foundation avoided duplicating alumni association or other university awards.[19]

Another project in this period of student upheaval saw each NIU graduating class leave a tangible, positive legacy on campus. Through the alumni association and the educational fund raising program, as many as six hundred seniors contributed money each year for a class gift. The rationale for fund raising among seniors was to encourage their permanent identification with the university when they graduated to alumni status. The class gifts program added to the university: scholarships ('66), graduate books ('67), a carillon ('69), and a university entrance sign ('70). The class of 1968 joined with numerous campus organizations to build the courtyard at the corner of Normal and Lucinda, in the shadow of the student center.[20]

One of the foundation's oldest activities, providing short-term, small loans to students, experienced a sharp rise in the late sixties, from 62 loans processed by the end of the 1967-68 school year to 165 in 1968-69 to 305 in 1969-70. A simple reason for increased demand is suggested by the minutes of the January 1969 board of directors meeting. The low utilization of the student loan fund had been discussed at the previous June board meeting, after which the financial aid office "promoted the use of this loan money." Activity almost doubled during the six months following this decision.[21]

In the life of every organization there are unpredictable events which, when they are over, serve as guideposts for future actions. The NIU Foundation has had its share of such learning experiences, but none more colorful than the Le Baron project for the inauguration of university president Rhoten Smith in May 1968. Mention of the project still brings rueful smiles to the faces of foundation members who lived through the controversy Le Baron inspired.

If Dr. Smith's presidency marked the beginning of a "new era" for a "new university" with excellence as a goal, then it seemed logical that his inauguration should be on a scale which matched those of well-established universities. The story of the snowballing development of that logic into an event of Cecil B. DeMille proportions was described by the university historian Earl Hayter. He concluded, in 1974, "The result [of months of dedicated committee work] was probably the most elaborate ceremony in the history of the university and probably the last of its kind if present economic conditions in the state and nation continue."[22] Reactions to "The Inauguration" in the former teachers college and small town which surrounded

it were mixed, but even those who enjoyed it acknowledged it cost a lot of money.[23]

While the NIU Foundation generally helps support Northern inaugurations (which are not a regular item in biennial state budgets), raising money for a $50,000 outdoor sculpture was not in their original plans for the 1968 celebration. The concept of a large piece of art by a major American artist as a positive symbol of a developing university came from information about other inaugurations collected by the 1968 NIU inauguration committee. The proposal to adopt such a project at Northern was made at the third meeting of this committee in November 1967.

Enthusiastic art department members on the committee began writing to galleries about possible acquisitions and costs. The main idea for funding such a project at this point was to solicit students and alumni. By January 1968, the field was narrowed to three pieces and information about other universities' art acquisition programs had been gathered which showed that Northern lagged behind most other Illinois state schools.[24]

By February 15 the foundation was involved. Apparently the inaugural Sub-Committee for Art Acquisition had presented its plan to raise funds for Alexander Calder's sixteen-foot stabile, "Le Baron," to the foundation. At a hastily called executive committee meeting, concern was voiced about conflicting solicitations of funds (the launching of "Commitment to Excellence" was imminent) from the same groups of potential donors. The result of the meeting was a letter from the foundation's executive director to the chairman of the sub-committee agreeing to provide technical assistance and

to receive funds raised. The letter stipulated that the funds were to be raised before negotiations with the seller were begun. It also restricted the fund drive to individuals and corporations interested in art who were not on the foundation's potential donor lists. If the sub-committee could not raise the funds in that manner, the foundation would help with mutual prospects as long as anyone approached was informed of overall university needs as well as the Le Baron project.[25]

On March 5 the sub-committee requested that the foundation allow the negotiations for purchase to proceed before funds were in hand, to insure installation of the sculpture in time for the inauguration. With $10,000 in hand, the sub-committee would try, as agreed on February 15, to raise the $40,000 balance.

Recognizing that they were accepting ultimate financial responsibility for the foundation, the executive committee agreed to the new plan. A letter of agreement to purchase was sent to Perls Galleries in New York on March 8. One of the executive committee members involved later expressed what probably became a common wish to do "that first meeting over," but at the time there was a sense of urgency because of the inauguration deadline and the committee "had to go out on a limb."[26]

Long after Le Baron traveled from France to come to rest between Lowden and Faraday halls (it was dedicated May 23, 1968), the search for funds went on. It became an exercise in creative fund raising. The Student Association, which had an annual budget item for art acquisition, provided the initial $10,000. About $3,500 came from campus groups, individual students, and

faculty. Small models of Le Baron were commissioned for sale as souvenirs. (These models were also used as the first foundation awards in 1970.) The art department printed and tried to sell oversize two-dollar bills with Rhoten Smith's name and signature on it. The art department faculty voted to give their 1969-70 art acquisition allocation of $500 from the "Commitment to Excellence" program to the sculpture project. In December 1968, the theater department gave a benefit performance of Noah, sponsored by the foundation.

At least thirteen foundations known to support the arts were approached, but all of them were committed to other projects or felt the NIU project was out of their scope. Nelson Rockefeller, who was known to have an interest in Alexander Calder's work, was asked to help but he was not interested. Chrysler Corporation, which had a model of similar name, was invited to use NIU's Le Baron in promotional photographs, but declined. With the deadline for final payment approaching on June 30, 1969 (Perls Galleries had cooperated by extending the original deadline two months), the foundation borrowed $35,000 from First National Bank of DeKalb for three years to meet the obligation.[27]

During the search for patrons of Northern's first modern outdoor sculpture, it became apparent that many potential donors had been turned off by the whole extravaganza of the inauguration, or by the cost of the Calder sculpture itself.[28] Le Baron inspired many student letters to the Northern Star during the spring of 1968. Most complained about the cost and suggested more practical uses for $50,000. Star cartoons questioned the usefulness of the piece.[29] An anonymous outraged letter-writer suggested to the chairman of

the inauguration committee that he knew of an abandoned snowplow which could be moved to the campus for fifty dollars, one-one thousandth the price of the Le Baron.[30]

But the sculpture project had its proponents as well. Northern Star editorials and faculty letters to the editor generally supported acquisition. Earl Hayter, professor of history, wrote an early enthusiastic letter and led the drive for faculty contributions.[31] Charles Bradt, of the foundation, called it "a symbol of stability in our chaotic world."[32] Richard Nelson, who became university president after the tempest died down, thought acquisition of Le Baron "was a great decision all around," "a distinctive contribution to Northern," a symbol of "expanding and getting a little more sophisticated." Even today, when he walks in the Chicago Loop and sees the large Calder sculpture at the post office, he thinks, "We [NIU] got one first."[33]

John Sayre, as Executive Director and spokesman for the foundation, publicly stressed the importance of Le Baron: 1) it reflected the strong interest and support given by Northern students to various art programs, 2) the attention in the art world drawn to Northern by the sculpture could result in future art donations, which had always been a foundation goal, 3) it was an appropriate symbol of the new era at NIU, 4) it was the first tangible evidence of the foundation's "Commitment to Excellence."[34]

The solution to the problem of paying off the loan for the runaway project came in an unanticipated way. In March 1970, the foundation was asked to administer income from campus vending machines, or concessions, so that the funds would be "immediately and totally available for use of the university"

rather than submit these "non-state" funds to the laborious process of budget requests and allocation should the money be turned over to the state treasury. The principal would be used for university needs, the foundation would get the interest from its short-term investment, for unrestricted funds. In December, the foundation decided to apply this money to paying off the remaining $31,500 for the Le Baron bank note. The debt was paid by the end of 1972, and in January 1973 ownership of what was probably the most problematic acquisition in foundation history was transferred to Northern Illinois University.[35] Its greatest significance for the foundation was in the policy it exemplified: "You don't obligate for something you don't have the money for."[36]

In spite of ambitions within Northern Illinois University to become a "new university" and the foundation's having laid a solid footing for extending its base of financial support for the university, national events of the period promoted a reaction of local campus unrest from 1968 through 1970 which seriously affected the ability of either program to move ahead. Much activism grew out of the Black Power and anti-war movements, but there were also issues such as demands for more student involvement in decision-making in the academic process, for more and better minority programs, and for different allocation of educational funds. Marches, sit-ins, and damage to property in DeKalb followed the assassination of Dr. Martin Luther King in 1968 and the deaths at Kent State in 1970.

While no evidence can be found indicating that the NIU Foundation was a specific target of activism in this period, its newly established "Commitment to Excellence" program was dealt a blow. According to John Sayre, the student

protest movement "just wiped out our business and industrial [annual] giving program."[37]

Roy France agreed that

> the immediate effect after some of the student demonstrations was to dampen the enthusiasm of people who were willing to make contributions to the university. Their feeling was, "Why should we contribute money to the university if the students are going around breaking out windows and causing all this disruption, perhaps wasting more money than the contributions would amount to?"[38]

At the June 1970 foundation meeting, John Sayre's report on 1969-70 fund raising described the effects of student unrest. While total income increased over the previous year, the number of gifts was down. Furthermore, comparison with his report the following January indicates that over one-third of the pledges in Sayre's June report were never paid.[39]

Stephen Horvath, Jr., who was an alumni representative on the foundation board in 1970 (and later, foundation president), described the foundation as going into "a holding pattern" or "cocoon" in that period of town-gown tensions: "It would have been foolish for the foundation to go out and expand in those days."[40]

One positive response to student concerns of this period appeared in the 1970 revised constitution. Two student representatives from the Student Development Foundation were added to the general membership of the NIU Foundation for one-year terms. Their inclusion reflected President Smith's determination to give students an active role in university decisions of policy and governance by appointing them to most of the important committees and by creating student advisory groups in various departments.[41]

On March 31, 1970, John Sayre, who had given professional fund raising leadership to the foundation for four and one-half years, submitted his resignation as director of development for NIU to take a similar position at Western Illinois University.[42] Those who worked with the foundation during Sayre's years uniformly agree that they were a pivotal period. The organization changed from being merely a gift-receiving organization to one with a solid foundation for broadening its usefulness to the university by seeking out gifts.

By the end of 1970, the foundation had significantly extended the base of support for NIU through expanded membership and a fund raising structure which reached beyond the immediate community to the corporate world. Service to the university had been continued in the form of land acquisition and in development of a stated investment system geared to safely maximize the income of gifts for even further service. The new awards and class gifts programs, as well as the continuing student loan program, were further evidence of the foundation's supportive service to the university community.

The foundation had shared with the university two dramatic events between 1967 and 1971--the inauguration of a new president and the student protest movement. As in its earlier history, such unforeseen events somewhat altered the foundation's pursuit of stated goals. In retrospect, however, the years from 1968 through 1970 stand out as years of unique growth and strengthening of the organizational structure for providing the margin of excellence for Northern Illinois University.

CHAPTER 3: THE QUEST FOR UNITY

Nancy Thornton

At the beginning of the 1970s, university administrators were ready to take another look at the internal structure of the foundation and its role in supporting the university. Furthermore they were ready to broaden programs supported by the foundation. Foundation funds in 1971 amounted to $25,000 in cash, $59,000 in student loans, and $200,000 in investments.[1]

There were 16 scholarship award funds at the start of 1971, along with five loan funds and 41 miscellaneous funds, the largest of which included the Huskie Club, the NIU Parents Association, the concessions fund, and the Commonwealth Edison "Atomic World" exhibit fund.[2] A new fund was created with a donation of $1,000 from the NIU Student Association for what would later become a 30-acre ecological park on the northwest corner of the campus. And an awareness of the foundation's benefit to others was shown by the staff working in Lowden Hall. They contributed $1,500 from surplus monies in their coffee fund to fund three $500 scholarships.[3] The variety of funding requests were no less varied during the early 1970s than they are today. For example, $300 was given to the Black Choir to help defray the cost of a trip to Washington, D.C., for an appearance at Howard University and the Cherry Blossom Festival.

The foundation continued to acquire land for the university. In the seventies, the foundation purchased the properties located at 621, 623, and 627 West Lincoln Highway, 630 Lincoln Terrace, and 428, 432, 436, and 438-440

Normal Road. Any buildings on the property were used as faculty offices, with a lease providing that the university pay interest and taxes and maintain the property in lieu of a stated monthly rental.[4] The president's home at 901 Woodlawn, an adjacent lot, and several other properties had been turned over to the Board of Regents earlier.[5]

Much work remained, however, to streamline the organization. The Foundation's structure was succinctly described by Roy France in a letter to the SIU Foundation:

> The foundation does not have a published organization chart. The executive director reports to the director of university relations, who in turn reports to the president of the university. Also, the president of the university, vice president of business affairs, and vice president of academic affairs serve as ex-officio members of the board of directors of the foundation.
>
> The operating costs of the foundation are subsidized by the university with the exception of certain out-of-pocket expenses connected with luncheons, office supplies, receipts, checks, etc. Generally speaking, office supplies are funded from foundation funds; all others are furnished by the university.[6]

On paper, the structure looked good. In practice, procedures were not always so clear. A change in leadership was to provide direction for organizational restructure. In January 1971, four new members joined the board of directors: Lyle L. Schule, Harry Loefgren, Richard C. Bowers, and Stephen Horvath.[7] Schule and Loefgren, representing business, were executive

executive vice presidents of DeKalb Savings and Loan Association, and Morgan Dyeing & Bleaching Company in Rochelle, respectively. Richard Bowers, vice president and provost of NIU, was the newest ex-officio member. The board's other ex-officio members were Percy Julian, representing the Board of Regents, university president Rhoten Smith, and Richard J. Smith, vice president of business affairs at the university.

The fourth member of the expanded board of directors was Stephen Horvath. As the past president of the NIU Alumni Association, Horvath was no stranger to program development at the university. He had come to the foundation's board at the invitation of foundation president Paul Alongi earlier in 1970 and on the recommendation of the alumni association to serve out the term of another member. Horvath, who was then superintendent of the Fairmont School District in Lockport, Illinois, had received a bachelor's degree in 1955 and had been one of the first to receive a master's degree (1956) in NIU's new business education program. Horvath took a very strong leadership position from the beginning of his involvement in the foundation.

In 1971 Richard Nelson became the president of the university, replacing Rhoten Smith. At its June 1971 meeting in which the foundation officers were elected, the board presented outgoing university president Smith with the gift of a 10-speed bicycle.

Richard Nelson had been the assistant vice president for public affairs at Inland Steel Corporation, a firm he had joined in 1953. He served as a member and vice chairman of the Illinois Board of Higher Education from 1961 to 1965 and was appointed to the Illinois Board of Governors of State Colleges

and Universities in 1965 and served as chairman in 1967-68. He had received a doctorate of jurisprudence from Northwestern University Law School in 1948.[8] He is remembered in foundation annals for his gift-in-kind contribution to the university library of his personal collection of 5,000 books and materials on Illinois and the Old Northwest Territory--a collection valued at $6,078.50.

President Nelson chose Dr. Francis Geigle as the new vice president for development and this decision proved fortunate. Harold Dorland, a director of NIU business affairs during the 1970s, described Geigle:

> He "was a wonderful man, a very good scholar. He could make the best public addresses of anybody on the campus. He was a tremendous help for Dr. Holmes. He had taught school and knew everyone. He was an outstanding man....a tremendous administrator."[9]

Geigle had been educated at Lycoming College, where he later became the head of the department of business administration. He received an M.A. and an Ed.D. from New York University. He was the head of the department of business education at Montclair State College from 1935 to 1945. He held the post of assistant vice president of Montclair (NJ) National Bank & Trust Company from 1945 to 1951 and joined the faculty at Northern Illinois University in 1951.[10] At Northern his primary responsibility was to establish the school of business. And he did that very successfully in an old barracks along Lucinda Avenue. Dr. Holmes was so impressed with him that he kept giving him more responsibility: vice president 1957-59, executive vice president 1959-63, executive vice president and provost 1963-69, executive vice president 1969-70. In 1970 Geigle took a position as the acting president of Illinois State University at Normal. But there continued to be a feeling among NIU people that Dr. Geigle was needed back at NIU. It is apparent from various

various accounts that the office of vice president for development was created to tempt him to return.

Nelson had barely taken office when the university was confronted with serious budgetary concerns. As it turned out, events connected with financial need during this period are remembered as some of the most significant in the foundation's history.[11] A tightening of lines of authority and a stricter definition of responsibility were necessary.

Foundation members were officially notified of the upcoming reorganization in a letter from William Banfield, acting executive director of the foundation:

> On April 7, 1972, President Nelson announced a reorganization of university relations, which will end its existence as a separate division of the university. The new plan will be effective September 1. Under this plan the development office and the office of alumni relations will report to a new vice president for development and alumni relations who will report directly to the president.[12]

After the official announcement about the reorganization, Geigle and Roy France, who, besides being the foundation treasurer, was the controller at the university, began to take a critical look at the foundation's accounting procedures in order to streamline and to improve the efficiency of the operation.[13]

Geigle wanted to use the concept of fiscal agent. France wanted the secretarial duties of the foundation, which had been his duty as secretary-treasurer, transferred to the executive director of the foundation.

This was later done at the September 12, 1972, executive meeting of the foundation. The university had always paid the executive director's salary. A new plan was created in 1974 whereby the executive director was annually paid 11 months by the university and one month by the foundation.[14]

As of September 1, 1972, the office of development reported to Geigle, and William Banfield became officially the director of development. Foundation president Horvath reflected on Geigle's reasons for the structure he set up:

> Geigle was a businessman....In the 1970s we had to have our house in order. Bud Geigle was a visionary of the university and was someone who understood the practicality of the foundation, as far as a university official was concerned, but who also understood the reality of the times and looked toward the future. He knew that if the foundation was to be the development arm of the organization that raised private monies for the university programs and functions, it had to be strong and independent.[15]

The major responsibilities and activities of the development office included the following:

1. The planning and implementation of the activities of the NIU Foundation.
2. Coordination of the activities of the NIU Parents Association.

3. Coordination of the planning and implementation of the following fund raising programs: corporate solicitation, faculty staff solicitation, parents association, class gift project, Huskie Club, deferred giving, and other special projects as necessary.

4. The planning, preparation, and distribution of the necessary publications and mailing pieces for the development program of the university.[16]

Several changes were made in the foundation's constitution to coincide with the changing foundation. Stephen Horvath remembered the changes in the early 1970s: "We created an executive committee that was composed of people who were not just president, vice president, and secretary-treasurer. We started to meet more often and started to review what was happening, becoming more involved. We were getting the basis, in my mind, for the operation of today. If we have any credibility today, it's because we started [to strengthen our organization] back then."[17]

Geigle, speaking before the general membership of the foundation in June 1972, said that there were some problems facing the foundation and the alumni affairs office:

> I live by the old adage that if you are going to make money, you are going to have to spend it....I realize, and no one is more aware of the squeeze that it is on university budgets, that if you don't ask for it, you don't get it. This goes for the foundation....The development office should be the chief fund raising office of the university. The function of the alumni relations office is one of working with the development office and feeding into it the information that we need to go out and get the funds. There is a responsibility here, too, in regard to the members of the foundation board and the alumni association board. I hope that they will feed in to us the names of individuals who have the wherewithal to do the job and then it's up to us to go out and do our jobs.....I think Northern has graduates who have responsible positions, and it is up to us to find out where they are and go out and sell them.[18]

Geigle felt that one of the most important tasks in development and alumni relations was supporting the president of the university. At the same time, he wanted help and support from the university president. "There are many times when only the president can go out and talk to groups, and President Nelson has given me his support," Geigle said.[19]

One of the things Geigle wanted from the president was a policy statement on gifts from private sources. By the early 1970s, the university was receiving many gifts of money, equipment, artifacts, etc., not all of which were being channeled through the foundation. According to Roy France, controller of the university at the time, "The university and the foundation wanted a reasonably accurate record. So that's why they needed a gift receiving policy coordinated through the foundation. Sometimes there would be people who gave gifts and who never received an official acknowledgement, a thank you."[20]

William Banfield wrote in a letter to President Richard Nelson in January 1972: "Cognizant of the increased budgetary difficulties facing the university, it is our intention to take every step possible within the NIU Foundation to strengthen our fund raising programs." The policy stated:

> All gifts originating from private sources which are intended to be used for programs, projects, and other official activities of Northern Illinois University will be placed in the Northern Illinois University Foundation for distribution for the designated purposes of the gifts or, in the case of undesignated gifts, the purposes will be mutually determined by the NIU Foundation Board of Directors and the president of the university, or his designee.
>
> Gifts from private sources refer to those generated through established annual programs from alumni, parents, students, faculty and staff, corporations, and other friends of the university as well as unsolicited or one-time gifts from any of these or other sources, including gifts made through university academic or administrative departments.

All deferred gifts from any source, such as wills and bequests, life income trusts, gifts of insurance, gifts of property, and other appropriate deferred giving plans will be placed in the NIU Foundation.[21]

The foundation board noted that the following benefits would be obtained from this policy:

1. All gift money is consolidated into one foundation.
2. The university has a clearer and more immediate reporting picture of its fund raising from private sources.
3. The foundation investment committee can obtain more efficient and better producing investments for funds which might be invested on a short-term basis. By having larger balances of funds to invest, a greater return can usually be generated as compared to having smaller scattered among the separate agencies or organization.
4. The consolidation of income from unrestricted gifts permits them to be used more efficiently for university purposes.

As the foundation continued to grow, it was imperative that this policy be adopted. Evidence of its growth and potential was noted for the fiscal year ending May 31, 1972, when the foundation for the first time passed the $100,000 mark in contributions ($109,202.34), with total assets of $664,997.62, and investments of $274,906.01.[22]

Reflecting on passing the $100,000 mark, Stephen Horvath said:

> It was great but [I felt]: Let's move on. If the university was going to continue to offer programs that were above and beyond programs that could be supported with revenues and tuition dollars, they had to come from private funding--that public education needed private funding. In those days a lot of people were concerned with the general attitude of the public that private money only went to private schools. So we reached an important mark.[23]

In June 1972 Stephen J. Horvath, Jr. replaced Paul Alongi as foundation president and Lyle Schule became vice president, replacing Horvath. Roy France was re-elected secretary/treasurer.

Paul Alongi had seen the need for the foundation to become more aggressive and independent. During the five years Alongi was president, the foundation accomplishments included:

Commitment to Excellence, the first coordinated fund raising program conducted for the university.

Purchase of a president's home for the university.

Establishment of the NIU Foundation Awards program.

Increase in contributions received through the foundation from $27,378 to $109,202.

Expansion of the foundation investment portfolio from $92,660 to $274,906.

Increase in foundation assets from $106,198 to $664,997.

Purchase of 24 properties, with a value of $500,000 for the university.[24]

Alongi, with his wife Jane, also established the NIU Foundation President's Fund with a gift of $10,000. The fund continues to be used to promote and to publicize the university through select programs of public relations.

A short time after the annual foundation meeting in June 1972, the development/foundation offices moved from the sixth floor of the Holmes Student Center to 109 Lowden Hall where larger quarters were available. By the end of September Geigle and Horvath had begun implementation of their ideas. The NIU Alumni Association was asked to transfer its funds from the association's separate account to one designated for that purpose within the foundation's accounting structure.[25] This transfer took place and cooperation between the two groups was strengthened from this time on and continues to this day. Both groups remain, however, separate corporations with separate budgets.

The circumstances may have been similar to those in the Huskie Club organization. Dr. Robert J. Brigham, the Director of Physical Education and Athletics, mentioned at one of the foundation meetings that the Huskie Club was apprehensive at first about depositing its funds with the foundation, but he added that things worked out and the officers were satisfied with all aspects of the funding arrangement.[26]

The NIU Alumni Association considered the building of an alumni center, a University House, with the foundation's help, potentially at a cost of $1 million. A nine-member steering committee, three of whom were from the foundation, was appointed to prepare a feasibility report and estimate a timetable for its development.[27] The steering committee visited several out-of-state university facilities to explore possibilities. Potential problems, however, were brought up at the June 1972 foundation meeting.[28] The alumni association decided not to ask the foundation for funding. President Nelson supported the idea, but according to Paul Alongi, Geigle apparently

opposed the plan because he feared that adequate funding would not be available.[29] The project was deferred at that time.

By June 1973 the contributions to the foundation were as great and varied as the degree programs offered by the university. Sixteen donors were listed in the corporate giving program, an increase of nine over the previous year. Donors ranged from the Chevron Oil Company which gave a grant of $1,000 for a geology scholarship to the Zeta Phi Beta Sorority which gave a $50 grant for the Black Studies Program. The College of Business appears to have benefited most, under the direct fund raising efforts of Dr. Geigle. DeKalb Agricultural Research, Inc. gave $2,000 for a lecture series in the College of Business and there were eight different grants for the Department of Accountancy.

One of the most supportive groups was the Huskie Club which gave contributions for athletic grants-in-aid and for club operating costs. During the 1971-72 year, 151 donors contributed $15,015, and in the following year 229 donors doubled that amount to $31,507.

While soliciting gifts from local businesses, the foundation was conscious of its possible benefit to the local business community. In February 1973 the foundation purchased five shares of stock at $250 per share in the DeKalb County Development Corporation, formed to attract new industry to the area.[30]

Needy students, too, were not forgotten: in January 1973, qualifying conditions were defined clearly for the student loan fund. People qualifying for loans had to be full-time students in need. They could borrow up to $1,000 a year, with no interest charged while they were in school and only 3 percent annually after graduation. However, one rule remained consistent: the student must not drink or smoke.[31]

In these first three years of the seventies, Vice President Geigle and foundation President Horvath tightened organization, clarified each officer's responsibility, and aggressively sought funds. The foundation was greatly strengthened by their efforts.

CHAPTER 4: THE INDEPENDENT SERVER

Dennis Read

A new era for the foundation began in 1974. Stephen Horvath, Paul Alongi, Francis Geigle, and others began weaning the foundation away from the university in earnest. As stated in the last chapter, in 1972 the foundation had voted to pay one-twelfth or $2,400 of the executive director's salary.[1] This was a necessary step in making the foundation separate from the university. If the foundation wished to realistically consider that the executive director, a university employee, was also a foundation employee, then it had to contribute to that person's salary.[2] Geigle was instrumental in persuading the university hierarchy to release some control over the executive director, reflecting this new salary arrangement. In 1976 the foundation began to pay one-third of the salary, and in 1990 it paid one-half.[3]

A new executive director needed to be hired, and Francis Geigle, Stephen Horvath, and Lyle Schule interviewed the suitable candidates.[4] A major characteristic desired in the candidate was that he or she not have a prior relationship to the university. The person was required to have experience outside of NIU so that he or she could provide desired changes and fresh leadership to the foundation. People already at the university were nominated; it appeared that some saw this as a good position to retire into, so as a result, they opposed bringing in an outsider.[5]

Two candidates came to the forefront: one from out of state and one from inside Illinois. The in-state applicant, Richard Ubl, was judged to be the best candidate. He was hired by the university and began his duties on April 1, 1974. Richard "Dick" Ubl was born in Chicago, went to Drake University in

Des Moines, Iowa, and then spent a year in law school. After a stint in the army, Ubl spent several years in the insurance business; he then went to Loyola University in Chicago as director of estate planning and director of law alumni relations.[6] Because of the experience, abilities, and skills that he brought to this position, his arrival at NIU was anticipated enthusiastically by board members and university administrators.[7]

With the hiring of Ubl, the year 1974 began an era, but it also ended an era. Francis Geigle retired on August 31 and died November 15. Early on, he had seen the need for the foundation to have its own identity separate from that of the university's administration. Divorcing an organization and its control from a group of people is very difficult; however, Geigle had recognized that the relationship between the university and the foundation had to become a contractual one, as opposed to one of "as you damn please." He also realized that the fund raising efforts at the university had to be centralized. Stephen Horvath said he was one of the visionaries of the university in that he knew that the actions of the 1950s and 1960s would not work in the 1970s.[8] His leadership had set the course for the foundation.

Ubl hit the ground running. At his first foundation executive board meeting, just twenty-two days after coming aboard, he outlined his program goals. He planned to establish a foundation newsletter, a businessmen's organization, a women's board, an information campaign related to estate giving and charitable remainder trusts, a new system of gift recording, a new policy of sending letters of appreciation to givers regardless of amount, a monthly comparative report of gifts received and a faculty-staff solicitation.

He proceeded to convert the Alumni Association's membership campaign into an annual fund.[9]

Developing a strong fund raising program begins at home. When Ubl arrived, most of the gifts were of the five to fifteen dollar size. When he transferred the concept of leadership giving from Loyola, he found that many people in the foundation itself were not contributing at all. Ubl decided that a program was necessary to get these people involved; the President's Club was announced at the executive committee meeting in May.

A paper weight plaque had been designed, using the image of Altgeld Hall as the seal. It indicated that the person's name that was inscribed on it was a member of the President's Club of the Northern Illinois University Foundation. Ubl gave this first plaque to Foundation President Horvath at that meeting. Horvath chuckled and said he guessed he would have to write out his check for $100, that being the required amount. All agreed with him.[10]

By September, nineteen people had joined the President's Club, with $2,050 contributed.[11] By November, thirty-nine of the ninety-seven foundation members had joined.[12] Ironically, the first plaque is the only one with the foundation name on it. The plaques now are inscribed President's Club, Northern Illinois University, with little squares to designate participating years.

One of the best ways to raise money that Ubl had learned at Loyola was to have good communications. Northern's external communications were not very good. The only thing that really existed was the Alumni News, later called

Northern Now, which was going out primarily to alumni. If money was to be raised among friends, parents, and other supporters, a publication was needed to fill this need. The Foundation Newsletter was initiated to talk about fund raising, report special gifts, changes in the tax law, and the best ways to donate. The Alumni News was primarily a "friend raising" newspaper; the Foundation Newsletter, on the other hand, was designed to promote fund raising.[13]

The next major program Ubl initiated was Businessmen for NIU. In the late 1960s, John Sayre had started a corporate sponsor program. This program began to establish contacts with the DeKalb business community. After Sayre left, the program died due to a lack of leadership.[14]

A committee of twelve to fourteen local businessmen were selected by the executive board; they were to call on local business people. Lyle Schule was named the first chairman. The solicitation list was drawn up right out of the yellow pages. Each committee member was assigned eight to ten calls. A special letterhead was created, listing the committee, which was used for a mass solicitation. This resulted in an annual fund campaign.[15]

Schule was an excellent choice for the leadership role; he had been involved with the foundation and was now the vice president. Other early leaders included Clifford Danielson, now chairman of The National Bank and Trust Company of Sycamore, and Jack Kuiken, then president of the First National Bank in DeKalb. An executive committee of sixteen was established and the kickoff luncheon planned for October 23.[16] The kickoff was

successful; by the time the executive committee met in December, over $100,000 had been raised. The decision was made to expand the program into the Rockford and Aurora areas.

On the heels of the Businessmen for NIU came the Women's Board. In October, Virginia Cook accepted the position of chair for this group. Virginia Cook had first become involved with the foundation in the 1950s as alumni representative. She became a formal member in 1967 and a few years later a member of the executive committee. She was known as a very capable person, well respected and aggressive; she later became vice president of the foundation.[17]

In February 1975, the first Women's Board steering committee met. Fourteen women agreed to serve and twelve were in attendance. At that time the organization was named the NIU Associates.[18] Its purpose was to improve university/community relations rather than fund raising. As a result of the demonstrations in the late 1960s and early 1970s on campus, a town-and-gown breach existed. Some townspeople really did not want to come to the campus.[19] If this group could be lured to the campus, then they would return to the community and could relate their experiences. Since the membership of the group was to be totally external to the university, female faculty and staff and faculty wives were not invited.

The first meeting was a luncheon in the art department. Approximately 120 women were invited to this very successful event. By the mid-1980s, the group had grown to about 350. Forty to eighty members came to the campus about three times a year to be shown new buildings, to tour the football stadium or other areas, or to attend concerts, theatre rehearsals, etc. This

group was instrumental in getting the community involved with the university.[20]

In 1975 the Foundation Merit Scholars program was started to attract academically gifted students to the campus. The fall of 1975 saw twenty students accepted into the program, of whom five were also National Merit Scholars.[21] The name had to be changed because the National Merit Commission wrote a letter to the foundation, saying that the phrase "merit scholars" could not be used. It is now called the Outstanding Scholar Program and continues to this day.[22]

In March 1975 the faculty-staff giving program was reintroduced and has continued.[23] This had been tried earlier and had not succeeded. It succeeded this time under the leadership of Dr. Clarence Hardgrove.

The alumni membership campaign began in the late summer of 1974. By January 1975, $25,000 had been raised for the alumni and $10,000 for the foundation. Thus, in six months, $10,000 more was raised than had been raised the entire previous year.[24]

The sum totals of all this new effort brought immediate results. During the 1973-74 fiscal year, $97,194 was raised.[25] The 1974-75 year saw an income of $244,000. This figure was bolstered by the first major gift-in-kind in the history of the foundation, an art collection.[26]

A printer from Chicago named Melvin Pfaelzer, who was also an art collector, notified the university of his intent to donate his art collection to the university. The collection, valued at $89,000, was accepted in

December 1974. Because of its magnitude, it was insured at the request of Robert Even, chairman of the art department. When the bill for the insurance arrived, people gasped because it was more than anyone had expected;[27] in fact, it was $3,949.[28] This cost resulted in the foundation making new policies restricting maintenance expenses relative to the receipt of gifts-in-kind.

Because of the importance of the collection, an acceptance ceremony was held by the art department. The foundation paid for the printing of the collection catalog. This significant collection is still held by the university and is shown periodically.

With the beginning of the Foundation Newsletter, the program for informing people about estate planning and charitable trusts got under way. A brochure was sent out in January 1975. By June of that year five people were known to have added the foundation as beneficiaries in their wills.[29] By January 1977, $2,000,000 had been bequeathed by this method.[30]

At the heart of a fund raising effort is the ability to manipulate data relative to donors and persons interested in the organization. When Ubl arrived, the information that the foundation had on people comprised only names, addresses, degrees, majors, telephone numbers, social security numbers, and five-year giving histories. No information existed on occupations, interests, or the like; in addition, the system was an addressograph system. Ubl realized that a more efficient system needed to be created. During the first year, putting the information on computer began. From that point on, the system was refined and upgraded.[31] In 1988 a computer analyst was added to work full time on a new system of upgrading.

Upon the death of Dr. Geigle, President Richard Nelson appointed Kenneth L. Beasley, assistant to the president, to act as liaison to the foundation as well as accept overall responsibility for the development and alumni relations office. Beasley served in this position from September 1974 until May 1986. During this period of time, he provided outstanding counsel, support and leadership for activities pursued by the foundation board of directors.

After two alumni directors had resigned within a brief two-year period, Beasley asked Ubl in 1976 to become director of development and alumni relations in order to better coordinate activities and fund raising. Beasley had his hands full with other divisions of the university that had been assigned to him, including governmental relations, publications, public information, printing, and the university radio station. In addition, he still served as assistant to the president with all of the many and varied problems that came on a daily basis.

When Dr. William R. Monat became president in 1978, Beasley continued in this position. Both Monat and Beasley showed significant interest and appreciation for the foundation and were constantly available for any meeting or gathering sponsored by the foundation or alumni association.

When in 1976, Ubl took on a third hat as director of alumni relations, to go with university director of development and foundation executive director, he had to coordinate these distinct activities. While all three entities had their own budgets, policies had to be set that would benefit NIU as a whole. At many other institutions, problems had existed when the alumni director and the development director were on equal levels. Each one had his or her own

agenda that was being pursued to the detriment of the parent organization. Many instances had occurred at major universities where the distinctive organizations had adversary relationships. To prevent such a thing happening, the decision was made to have one person calling all of the shots so that the total organization could be built, undisturbed by a lack of unity or control.[32]

Nevertheless, not all programs turn out well. In 1972 the Board of Regents had approached the foundation to take over the administration of the vending machine concession on campus. This involved forty locations and 155 coin-activated machines. The contract was with the Tri-R Vending Service Company; it called for the bulk of the proceeds to go to the foundation.[33] The actual beginning of the contract was in 1971. The contract was renegotiated in 1975, in a manner that could not have been done by the university itself.

The purchasing laws of Illinois, at the time, required that these types of contracts be put to open bid with each bidder having new machines as part of the contract. Since the contract was to be with the foundation, and not the university, the vendor was approached relative to renegotiating the contract in such a manner that the commissions would be higher. If the vendor did not have to put in new machines, a higher profit could be realized.[34] This contract was executed, resulting in the annual commissions being raised from $55,000 to $70,000.[35]

However, not all was serene. Students felt that since the profits were coming from their money, the student government ought to have some say about the money. Also, inquiries were being initiated by Illinois officials

relative to the legality of the foundation's holding the concession contract.[36] So while the program was being handled well and money coming into the foundation was being used for scholarships, the foundation nevertheless returned the contract to the university in 1976. However, this helped to open a Pandora's box, as the auditor general used this as the reason for asking the attorney general about the legal status of the foundation.

While the foundation was rapidly shifting its emphasis and actions away from buying property, two major properties were yet to be considered by the foundation. The first was a thirty-acre parcel on the western edge of the campus, west of Stevenson Towers. The property was owned by Ivan Williams, and the university had an option on the property which had to be executed in July 1975. University President Nelson informed the foundation in 1974 that this acquisition would occur as scheduled, provided that the legislature appropriated the $240,000 necessary. However, if the money were not appropriated in time to execute the option, President Nelson wanted the foundation to buy the property and hold it until the money was appropriated. President Nelson indicated that J. Robert Barr, chair of the Board of Regents, approved of the concept.

The executive board agreed to the idea. The money would be borrowed from a Chicago bank. After purchase, the foundation would lease the property to Mr. Williams to pay the interest on the loan. If any profit was derived from this procedure, the money would be used to benefit the university. The legislature did appropriate the necessary funding so that this contingency did not need to be executed.[37]

The other property purchased by the foundation during this period symbolized the change in the foundation's purposes. Previously, any property purchased was earmarked to give or to sell to the university. Now, some property was bought with the intent of not turning it over to the university, but rather of keeping it for the use of the foundation at some future time. This property was a 5.6 acre tract on Annie Glidden Road. On the west, it faced the football stadium, on the east, Graham Hall; and to the north of it now was the recreation center. The cost of the property was $225,000. It was virtually surrounded by property owned by the university.

Some developers in town made an offer to Mrs. Oderkirk, the owner, who was retiring and moving to Michigan. The developers intended to build apartments and a small shopping center there. University President Nelson requested that the foundation purchase the property because the proposed development was in opposition to the university's purposes and needs.[38] As a result, John Templin, the university legal counsel, and President Nelson went before the DeKalb Zoning Commission to oppose the private purchase. The private entrepreneurs were only interested in the property if they could get a favorable zoning change. The rezoning was denied, and they lost interest in the property.[39] The foundation then made an offer to buy the property, and Mrs. Oderkirk agreed. The foundation undertook a fund-raising campaign to pay for the property, and the majority of the money was raised in a very short time.[40]

The auditor general made a public statement that the foundation had no authority to make this purchase. Partly as a result of this statement, the property became a small but significant symbol of the existence of the

foundation as separate from the university.[41] No state funds were used. The purchase of the property showed that the foundation could raise money for its own purposes. A contract was created to lease it for the use of the university because the university needed the space. The contract was a forerunner for the contractual agreement between the foundation and the university; it became a saving grace later, relative to the legal status conflict with the auditor general and the Legislative Audit Commission.[42]

From the very beginning, one of the foundation's major programs was making direct, short-term loans to students. Before the beginning of the foundation, the intent was to make these loans on an interest-free basis.[43] The original source of the funds, Andrew Brown's will, specified that anyone getting money must sign an affidavit stating that the person requesting the loan did not drink or smoke and was of good character. In 1974, Roy France, the university controller, reminded the board of directors that while students were not charged interest while they were in school, they did pay 3 percent interest on the loan after graduation, plus a one-dollar application fee.[44] The board felt that this was not the intent and purpose of the original source of student loans, nevertheless, the procedure continued. In 1977 the executive board officially adopted a loan fee of six percent and dropped the one dollar application fee.[45]

Later Roy France and Richard Ubl sat down together and concluded that it was more costly to collect the interest.[46] The two decided to just waive the interest without board approval. While the time frame between the decision

and the board's awareness was not long, due to the openness of Ubl, nonetheless the board was upset. The feeling was that if the decision was a good one, then the executive should give the board members the facts and let them decide.[47]

In the late 1970s, the issue of the Brown affidavit whereby the student swore not to smoke or drink was even more troublesome than before. This requirement was causing the financial aid office trouble in lending money to needy students. By implication, the requirements of the affidavit had to be enforced by someone; but if a student needed a $500 loan, how was anyone to know how it would be spent? To simplify procedures, the board voted to dispense with the requirement that students sign the affidavit.[48]

The task of raising gifts for a university requires skill and imagination and the willingness to take a chance to try something new and unusual. In 1979, the university's athletic department felt the need for a recreational vehicle to carry some of the smaller athletic teams.[49] The university thought that it could also be used to take donors to events. It could even be used to transport people to the Lorado Taft campus or other off campus activities. An appeal was made to the foundation, which thought the idea was a good one--just not good enough to go out and buy a recreational vehicle. Instead, the foundation, at the suggestion of an assistant to the president, ran an advertisement in the Wall Street Journal.[50]

Wonder upon wonders, the foundation got not one response but two. The first was an old GM bus, whose owners had spent a lot of money to convert it to a recreational vehicle. It had a kitchen and dining room--each elaborately

done. Some men were sent to Galesburg to get the bus. After accomplishing needed repairs, the vehicle still only got four miles to the gallon. Since it would not be economical to run the bus, a side of it was cut out to use as a press box for baseball games. Eventually, it was scrapped.

The other vehicle was a Winnebago given by a woman about seventy years of age who was buying a new one. Richard Ubl went to Detroit, Michigan, to get the Winnebago. He described the adventure:

> I got the Winnebago and started driving it back, and I realized the brakes were a bit mushy. I didn't think too much about it. And I stopped at a motel in Michigan because it was late....It was about 7 or 8:00. And I really didn't want to drive that thing in the dark, because I had never driven one before. I got up the next morning and got in the Winnebago and started out, and I got right at the first stop light outside the motel, I put my foot on the brake, and I went right through the red light. The brakes didn't work. And I went, 'Oh, my God!' I thank God there were no cars coming. I went right through that red light. So I found out that if you pump the brakes a lot, they'd come back up. I drove all the way back to DeKalb just praying that no one would pull out in front of me. It's primarily four lane highways until you get around the Indiana line there, where you must use your breaks. I made it back to DeKalb and perspiration was just dripping off of me when I pulled into the motor pool. Well, they did fix the brakes.

The foundation then leased the Winnebago to the university for $1 a year, and the university did the maintenance. It was kept for about three years, and the foundation received about $6,000 for it when it was sold.[51] However interesting the results were, this method of solicitation was never used again.

The raising of funds is only one side of the coin for the foundation. The other side is the spending of funds. To have an exemplary program, both sides must be well managed. Prior to the arrival of Ubl, no guidelines

existed relative to the solicitation path for proposals. This inadequacy was addressed during 1974.

Requests for funding were coming from all over the university community. No continuity existed in getting them to the foundation. At that time, there wasn't a lot of money to give out.[52] The board of directors were now a diverse group of people; they felt some conditions should exist relative to the foundation's considering a project. The board decided that all requests had to come through an administrative chain of command to be sure that reasonable funding did not already exist. If a request came from an individual faculty member, the board had no idea if money already existed to fund it. The board felt that the foundation ought to be the "court of last resorts," an avenue for funding only when there is absolutely no funding available within the university.

The guidelines developed required that student-generated requests come through the Vice President of Student Affairs. Administrative requests were channelled through the university president. Faculty requests were through the individual department head, the academic dean, and the provost. The board recognized that while a particular department head might feel that approving a particular project was politically astute, the academic dean or provost would let the foundation know if money was available in some way or if the needs of more suitable projects took first priority.[53]

The development of these guidelines resulted in the capstone of the funding chain. All elements of the process from soliciting to administering to dispensing would now operate smoothly; and this would be accomplished by adding only two staff members during this entire period.[54]

Partially as a result of the vending concession, the auditor general of Illinois requested an opinion from the office of the attorney general relative to the status of the NIU Foundation as a state agency for the purposes of the Illinois State Auditing Act and the Illinois Purchasing Act. In July 1976, the office of the Illinois attorney general issued a finding on the request. The finding stated that an organization that is a statutory or non-statutory corporate outgrowth of a state university is a state agency. It states that, according to the foundation's constitution, "the reason for its existence is the furtherance of the interests and welfare of the university." The close ongoing relationship between the foundation and the university was reflected in the composition of the foundation's general membership and its board of directors. Membership in the foundation provided an opportunity for a person to become an official part of the university community. Article III, section two, of the foundation's constitution provided that "university officials, alumni, and faculty members were to be represented on the foundation's board of directors." The finding referred further to an attorney general's ruling in 1961, that the SIU Foundation was a state agency. The finding concluded that the NIU Foundation was a state agency.[55]

This finding began a struggle for the very existence of the NIU Foundation. If the foundation were a state agency, its raison d'etre was gone. It became merely an administrative arm of the university. The foundation had been a legally separate institution from the university, a non-profit corporation. But it now had to fight to maintain that position.

The auditor general based his opinion on the precedent that both the University of Illinois Foundation and the Southern Illinois University

Foundation had requested, around 1960, to be declared state agencies. The University of Illinois Foundation had actually filed a legal brief with the United States Department of Revenue (sic) to be declared a state agency for the purpose of being able to generate tax free bonds to be used for building construction. Further, in his opinion the foundations were carrying out "state functions, with state money, on state property, with state employees, for state purposes."[56]

The publication of this finding resulted in a cause celebre. Newspapers picked up the issue. Many people were interviewed, from foundation personnel to Auditor General Robert Cronson and members of the attorney general's office. Inquiries by foundation personnel resulted in the discovery that the problem was not confined to NIU. All of the state universities were involved. Furthermore, similar kinds of problems existed on a national level.[57] Feverish activity began statewide. The foundations realized that they were in a fight for their existence.

For the next six years, a considerable amount of the foundation's time and efforts were spent in fending off the auditor general. Foundation President Horvath said that the foundation had to "let the opposition know [of the foundation's position]." He remarked, "I hate to use the word opposition, but in those days, it was--when one of the highlights of every board and annual meeting was the president's report on the relationship with the man on the white horse from Springfield, the auditor general."

However, every conflict has its positive aspects. The foundation had been separating itself from the university administration in many ways. The foundation was looking for an external prod to extend that separation.[58] One

of the areas that the attorney general's finding mentioned was the interlocking relationship between university employees, the university administration, and the foundation. This prod led the way to a reorganization of the foundation. John Templin, the University Legal Counsel, foresaw that the auditor general would continue to make more and more waves. He also saw that, under the present constitution, a semblance of agency relationship did in fact exist, just as the office of attorney general had alluded. The heavy group of university administrators and faculty, as members and as board members, lent credence to the position of the auditor general. Templin suggested that all categories involving university personnel be removed from the constitution. Such a removal would place a further distance between the university and the foundation.[59] Related to this area, the comptroller of the university was still the treasurer of the foundation. This also needed to be rectified. Thus in 1978, the constitution was revised to include these needed changes.[60]

Another problem involved the findings on the annual audit. The Legislative Audit Commission would schedule the foundation hearing with the university hearing. The Legislative Audit Commission would ask the officers of the university about the problems in the foundation's audit.[61] In many instances the Board of Regents or the university was responding to the Legislative Audit Commission on behalf of the foundation. This had been going on for many years without the foundation being aware of this process.

As a result, the foundation asked the Board of Regents and the university to refrain from answering for the foundation. The more that the auditor general and the Legislative Audit Commission directed inquiries to the Board

of Regents and/or the university, and one or both of them answered for the foundation, another nail was driven into the coffin of the idea of the foundation's independence. The Legislative Audit Commission and the auditor general were asked to direct inquiries to the foundation, not through the university.

In the spring of 1983, a local attorney, John W. Countryman, who was now treasurer of the foundation, went for the first time to a Legislative Audit Commission meeting in Springfield to respond to the auditor general's findings. The results were extremely positive. John Countryman was selected the following year to become the state representative from the district and was replaced as treasurer by John W. Castle in 1984. John Castle had served on the Businessmen's Committee and was chairman of the First National Bank in DeKalb and the Sandwich State Bank. John Castle continued to make the volunteer trek to Springfield to discuss the merits of the audit findings.[62]

After several long sessions devoted to discussing the problem, Templin suggested that one of the best legal firms in Chicago be hired to analyze the legal position of the foundation with respect to being a state agency.[63] Up to this point, the only legal opinions that the foundation had were unofficial ones given by a member of the foundation who was an attorney, or by one of the counsel for the university.[64] Stephen Horvath relates:

> The board felt that if we could not be independent, if we could not survive for the purposes enumerated, then there was no need for the foundation. And if there was no need for us to exist, let us take those unrestricted dollars and use them and say to the university and its governors and to the auditor general 'God bless you all, good-bye.' But we felt strongly the other way. We felt strongly that our purpose was to receive funds for the furtherment of the university....We took on the challenge of the auditor general, did not roll over and play dead, did not genuflect, did not light a vigil light in his behalf, but rather started a fire....

> We were not the university and we were trying to show we were not. So we went out and hired the law firm of Vedder, Price, Kaufman and Kammholz to research the status of the Foundation as an independent entity and give us an opinion. The opinion stated that the Foundation was, in essence, a free and independent organization to operate within the framework of our constitution which was to serve the university; that we did not have to acquiesce to the legal opinions of the university counsel or that of the auditor general unless we wanted to. And that helped give us more strength and fortitude.

Horvath said that a positive element of the controversy was the realization that "it showed that you [the foundation] were reaching a point of some success; you were moving in the right direction because all of a sudden a power broker was going to move in and was concerned."[65]

On May 29, 1979, Vedder, Price, Kaufman and Kammholz responded with a lengthy report. It agreed with the foundation's position and gave a background for the opinion. A copy of the report was given to the auditor general.[66] The report stated that "the foundation is not a 'state agency' for the purposes of the Illinois State Auditing Act and that the debt independently incurred by the foundation in connection with the 1977 acquisition of certain real estate does not require legislative authorization." The opinion further stated that the actions of the foundation in eliminating university personnel on the board had further separated the two organizations.[67]

However the foundation did not stop there. While it now felt more secure in its position, another area needed reworking. In 1980, the foundation inaugurated a formal contractual relationship with the university based on discussions between Richard Ubl and John Templin which strongly supported the separation of the university and foundation.[68] The contract arrangement at

Iowa State University was used as a partial model.[69] Stephen Horvath said that to a great extent this came about as the result of Richard Ubl's perspective for the years ahead.[70]

Later, however, the Legislative Audit Commission began asking the foundations in the state about their formal relations with the universities.[71] The foundations then began to meet once or twice a year to discuss their mutual problems. The result was that the contract the NIU Foundation had with Northern Illinois University became the model for all of the contracts in the state.[72]

In 1978 the president of the University of Illinois suggested to the Legislative Audit Commission that it ought to establish some guidelines that would be mutually agreeable to all parties concerned.[73] As a result, a subcommittee of the Legislative Audit Commission began holding hearings in 1979.[74] This subcommittee held hearings for two years, involving the universities, the university governing agencies, the foundations and members of the office of the auditor general.[75] While a number of foundations expressed desires to be completely separate from the universities, some did not; a category representing these in-between organizations needed to be generated. The first suggestion was "affiliated corporate outgrowths." This name was not acceptable to the foundations. Finally, "university related organizations" was settled upon.[76]

In 1982 the guidelines were published--the rules of conduct for the universities, the university related organizations, and the independent organizations. This document is an agreement among all parties. The Legislative Audit Commission by this agreement defined and indicated areas of

action acceptable to it. The Auditor General of Illinois, Robert Cronson, said, "Some of those areas the Audit Commission has stated it will not object to may well be objectionable to the applicable statutes. The Audit Commission has chosen to say they will not find them objectionable. I do not object to that. It's a matter of agreement."[77]

The major provisions of the agreement allowed university related organizations to use the name or initials of the university as part of their names; to use university facilities if charged a fair rate; to raise, retain, and expend money; to purchase property and even sell such to the university; to incur debt; to notify the appropriate governing board of any real estate acquisition in excess of $250,000; and to contract with the university for services.[78]

The legal existence of foundations as separate from state agencies was affirmed. The real battle for existence was over. The foundation, while still having disagreements with the auditor general, no longer had to expend time and resources fighting for its very existence.

With the foundation now operating like a well-oiled machine, the assets of the organization began a steady growth. By the end of 1978 assets were over $570,000; these rose to over $700,000 the next year.[79] Horvath was proud of the outcome of this steady, hard work: "In 1972 we thought $100,000 was a lot."[80]

CHAPTER 5: A MILLION DOLLAR MINUTEMAN

Lisa M. Dutour

In the 1980s the foundation, having learned from the challenges of its past, looked into the future with self-confidence and high spirits. Former university legal counsel John Templin explained that foundations were even more important in the eighties than earlier:

> You have to understand that institutions of higher education are no longer state supported...state schools are state assisted and the institutions are going to have to find places to acquire funds....the foundation as a separate, private, corporation unattached to the State of Illinois is a great place for Amoco or Chevron or Sears to give money to get a tax benefit from because the Internal Revenue Service laws provide for this. It's a great way to have funds provided.[1]

Templin added that "there would be an awful lot of private corporations out there that would not give money to Northern Illinois University if there were no foundation."[2] Private donors wanted assurance that their money will be used for educational purposes and not be channeled to Springfield.

From the foundation's beginning in 1949, its purpose was consistent with the definition as set forth in the bylaws, "to assist in developing and increasing educational opportunities for students, faculty, alumni, and the citizens of the state of Illinois primarily at Northern Illinois University."[3] By 1988 the foundation administered more than 350 separate accounts into which donors could make contributions.

Donors also had the option of giving restricted or unrestricted gifts. The foundation operated eight basic annual programs of both restricted and unrestricted giving. These funds were budgeted for each year:

1. The Corporate Support Program whose purpose was to encourage unrestricted support from businesspeople in DeKalb County.
2. The NIU Associates whose purpose was to establish communication between NIU and prominent women in the local community through meetings and presentations of the educational and cultural programs of the university.
3. The Faculty-Staff Annual Campaign in which support was solicited from faculty and staff through voluntary contributions.
4. Estate Planning where wills, insurance policies, and other deferred gifts for the benefit of NIU were solicited.
5. The Giving Club Membership where larger gifts were solicited by identifying potential donors and providing proper recognition for their contributions, and the Parent Program where contributions and communication with parents of students at NIU were encouraged.
6. The Achievement Fund which provided an opportunity for alumni to contribute to the NIU Foundation for selected purposes.
7. The NIU Foundation Merit Scholarship which provided continuing scholarship money to top high school students applying to NIU and renewing scholarship money if the individual retained a 3.00 grade point average.[4]
8. The Annual Fund which seeks unrestricted support from alumni and friends.

In addition to funds and accounts to take in gifts of money, the foundation continued to support the university in the eighties by acquiring

land to be turned over to the university for educational purposes. In 1983 the foundation accepted the John Boyle property--77 acres in Ogle County, Illinois, to be used for biological research and for the university's radio station's (WNIU-FM) tower and transmitter.[5] The foundation also accepted the Barton S. Burch property in 1983. This 55-acre wooded land in Ogle County was planned for use as a research site.[6]

In 1986, the foundation, at the request of the university, acquired the Palmer property located on North First Street in DeKalb. The property consisted of 5.83 acres contiguous to university property with a 15,000 square foot building and was offered to the foundation for $375,000. The vote to purchase this property was one of the closest ones ever held at a foundation meeting. Since the property bordered on university property directly to the east, the university felt that in the future this might provide an access route into the approximately 40 acres of undeveloped land that the university presently owned and on which someday buildings might be built. One of the significant problems with this proposal to purchase was that it was brought into the meeting without any previous notice, and the members were asked to make a substantial financial decision without much time for consideration.[7]

Because of the way the foundation board felt about the walk-in presentation for the Palmer property acquisition in 1986, a Constitutional Revision Committee chaired by Vice President Virginia Cook was established. One of the most significant changes recommended was to provide at least 14 days notice prior to any request to the foundation for funds over $2,500. The Constitutional Revision Committee made its recommendation for adoption of the new bylaws (replacing the constitution) at the June 1988 Executive Committee

meeting, and the committee approved with the recommendation for final adoption at the general membership meeting in September 1988.

In 1984, President William R. Monat resigned as president of Northern Illinois University to become chancellor of the Board of Regents, the governing board of Northern. His replacement, Dr. Clyde Wingfield, who had a tumultuous ten-month presidency at Northern, realized the need for an expanded and more unified division that included development, alumni, and other university functions. He initiated the search for a vice president for development and university relations, and on May 1, 1986, Mr. Thomas Montiegel began his new assignment. Montiegel's experience included being director of alumni relations at Marquette University and vice president for development at the University of Dayton. Montiegel actually arrived on April 30 to set up his office and to his great surprise, he ran into a public relations nightmare. Wingfield had just removed the publisher of the student newspaper, the Northern Star, and the public press began a concentrated attack on him. Montiegel was caught in the middle. Twenty-two days later, Wingfield, under substantial pressure from different offices, resigned as president of Northern Illinois University.

On May 22, 1986, John E. La Tourette, the vice president and provost of Northern Illinois University, was named the tenth president of the university. La Tourette, a longtime member and good friend of the foundation board, named Montiegel to become the liaison between the university and the foundation. In one of his first acts as president, he canceled credit cards of university administrators who had direct billing to the foundation and initiated steps to better account for expenditures in his own account within the foundation.

In late 1986, Vice President Tom Montiegel received a call inquiring about the university's interest in receiving a gift of the Woodstock Conference Center from the Aaron and Sylvia Scheinfeld Foundation in Chicago. This property included a 75-acre wooded retreat and conference building located just west of Woodstock, Illinois. After months of his working with the Scheinfeld Foundation, their officials made the offer of the property to the NIU Foundation and the foundation immediately contracted to lease the property for $1 a year to the College of Continuing Education for operational purposes.[8] The university community was jubilant: the property was valued at $900,000 and was the largest gift ever received by the Foundation. Board President Horvath, very enthusiastic about the gift, said, "One of the neatest things that happened to the foundation was acquiring the Woodstock Conference Center."[9]

Aside from the above major acquisitions of property, the foundation continued to support faculty and students in their endeavors. For example, in 1983 the foundation granted money to support freshmen orientation. In 1983, the foundation accepted the Message Display Center from the First National Bank of DeKalb for use by students. In 1985 a loan was granted to the Marching Huskies for their show band album, and funds were given to remodel Faraday Hall. In 1986 the foundation funded part of the inaugural expenses for the new president of the university. And of course the foundation has made grants to faculty and graduate students to continue their research projects.

Although the foundation had been quietly serving the university, it was not until 1985 that the executive committee became concerned that the foundation was not always receiving appropriate credit for its efforts.[10] Executive Director Richard Ubl explained:

> When we were making the grants to the different departments or schools or faculty members, we never required anyone to give us credit for it and I think the executive committee just felt that it was time we start seeing our name more in print....we were responsible for making some of these things happen and we weren't getting the credit.[11]

In the eighties, the foundation attempted to gain the well-deserved credit for its support of various activities by having the foundation's name mentioned in connection with the activity either in print or by a simple oral recognition.

The NIU Foundation was happy to accept almost any gift that would benefit Northern Illinois University, but in 1983 the foundation came to realize that it had to show more than just its loyalty to the university. It had to show a moral sensitivity to issues confronting the university community. In 1983 the foundation sailed into a storm over its South African holdings. The foundation had accepted a gift of stock from a donor, not knowing the stock was held in a South African-based company. Protests by student groups and the Northern Star aroused public interest.

Roy France, a long-time member of the foundation, explained the controversy:

> This goes back to a generous donor who had contributed a substantial amount to the foundation over the years. [He] had given us 150 shares of something called Dome Mining [Kloof Mines], and it was to support an endowment fund for a particular group of students on campus in a department.

> When we first received the gifts of Kloof Gold Mine Stocks, we were totally unaware that there was any problem with the stock as such. We didn't know there was any connection to the South African issue and we took the stock in. I think practically in every case that as soon as it got transferred to the foundation, then we sold the stock and turned the proceeds to use of the investment committee.[12]

But the foundation, according to Ubl,

> held on to the stock--which was rather unusual because most stocks we sell pretty quickly....When our financial report was drawn as of June 30, it showed that was one of our particular stock holdings and somebody saw it and decided that was a South African company.[13]

France said the initial reaction of the foundation members was, "If someone gives it to us and we turn around and sell it, we didn't really see that this was a conflict."[14] Richard Ubl reflected on the situation, "To tell you the truth we had no rules against it."[15] The total value was probably about four thousand dollars. He added that when students brought it to the board's attention, board members felt empathy with their concern and got rid of the stock.[16]

The foundation acted quickly to avoid future involvement with a company practicing racial discrimination. The new language in its Investment Policy Guidelines (drawn up in 1983) stated, "The Committee will not knowingly initiate an investment in any company known to it to practice racial

discrimination."[17] Finally, in 1987 the investment committee recommended shifting "investments in the Equity Fund of the Common Fund to the South Africa Free Hedged Fund within the Common Fund."[18] This would insure that no "investments of any kind with firms connected with South Africa" would be made.[19] With this final move the foundation showed its sensitivity to moral and ethical issues and its ability to respond to concerns in the university community.

In the decade of the 1980s, the foundation reached an important milestone. In January 1984, Executive Director Richard Ubl anticipated that this could be the first year the foundation would reach $1,000,000 in contributions.[20] The foundation reached this mark in June 1986.[21] Ubl was jubilant: "A very big year obviously, because now we start getting a million dollars a year in contributions....We finally reached this magic goal." He went on to say that "it's really funny....when you're raising $250,000 a year, a million looks a long way off. Why then as soon as you get the first million, now you're saying, 'Gosh! When are we going to hit our first two million dollar year?' And I'm sure when we do that, it's going to be....our first three million."[22]

How important was reaching this landmark? Ubl claimed, "It buoys everybody's morale when you do this because the whole staff works really hard on it. It's nice to see this. You finally see the results of what you've been laboring for, for ten or twelve years." And in regards to the foundation's future, Mr. Ubl said, "Certainly our next goal is $2,000,000 in annual contributions and our next objective is $5,000,000 in assets. We see

them as shorter and shorter goals than we started out with originally." Ubl was also concerned with giving credit to those who helped reach this goal. "It's the donors who make it all happen!....We are seeing a natural growth of many of the programs we were putting in ten years ago."[23]

In the eighties, the NIU Foundation and the alumni association worked closely together in order to serve Northern Illinois University well. The administration of the foundation and alumni association offices was under Richard Ubl's control, a complex system, which Ubl described:

> It was the alumni director who had the responsibility for running alumni programs and acting as the secretary/executive director of the alumni association....I had the administrative responsibility for the university budget and for the supervision of the alumni director and any assistants we may have had--secretarial help of that nature. I also met with the alumni board at its quarterly meetings. But it was really management of three different entities.

What is the importance of this arrangement? Mr. Ubl said:

> We felt that we had to have that type of one-person calling all the shots for these coordinated efforts for fund raising and programs down here in the office rather than having an alumni director diametrically opposing the development director and not getting anything done. The policies had to be set that would benefit Northern Illinois University as a whole. It has worked out very well where we have one objective for NIU.[24]

In September 1983, the board announced, "Ten years ago the NIU Foundation and the alumni association were almost completely funded by the university out of the general revenue funds. The foundation and alumni association operations are now paid entirely by foundation and alumni association revenues."[25] The self-supporting nature of the foundation and the alumni association came about because of increased unrestricted support and improved

earnings from investments, Ubl explained. The importance of the foundation and alumni association being self-supporting was that by "taking over more of their funding, they're saving the university these kinds of dollars from general revenue. Those monies that used to support us can now be used for other purposes."[26]

In its past, the foundation reached milestones and landmarks, showed pride in and loyalty to Northern Illinois University, supported the university community, and dealt with controversy. The members of the board saw a bright future for the NIU Foundation. In the eighties they reviewed the dream of building of an Alumni/Foundation Center where not only more space would be provided for the growing organizations, but where alumni would have a home and social center.

In January 1984, a motion was passed for the president of the alumni association and the foundation's executive director to appoint a committee to investigate the feasibility of constructing and financing an Alumni/Foundation Center.[27] The appointed committee members went out to Nebraska to attend a conference on alumni houses. The committee found out that "it was going to be a little rich for our [foundation's] blood at this point of development."[28] The committee realized that to succeed in an Alumni/Foundation Center that they envisioned, they were going to need one million-dollar donor. Richard Ubl described the process leading to this decision:

> We were talking, and everyone we talked to said, 'Don't underbuild it. The moment you move into it, it's going to be too small.' Everyone gave us the same advice. We're not a big operation. Right here [Lowden Hall] we probably occupy 2,500 to 2,600 square feet and we keep growing. Unfortunately we have people who get scattered all over the building. So we were first of all talking about 7 or 8 to 10,000 square feet. Well, after talking to everyone, they said,

> 'Are you crazy? If you don't build a house with a minimum of 20,000 square feet, don't even look.' Well, 20,000 square feet is going to cost us something in the range of a million-and-a-half to three million dollars. We just did not feel that we had that kind of support among alumni to do that. The area [the Oderkirk property on Annie Glidden Road] is perfect and that's why we are still holding it. We still have that dream that that's where it will be. It's a perfect location, people coming off the toll road on Annie Glidden--it could be a visitor's center. It's right opposite the football field, right across from the College of Education buildings and facilities. You got the dorms right near there....So, we primarily came down to the minimum house we could build was 20,000 square feet and there was no way we could raise that kind of capital unless we found one person who would give a million. It's still very much in our plans and very much in the board's (thinking). As soon as someone steps forward and says, 'I'll provide a million dollars for this,' we're gone! We'll start it. All of the people we've talked to said it's essential. You have to have that one big donor to do it. You have to have the leadership gift that would put you into that house.[29]

There was little doubt that someday this goal, an alumni/foundation center would be reached.

For foundation members, there were many high hopes for the future aside from the center. President Stephen Horvath said, "I would like to see the foundation not only have a $5 million dollar income for unrestricted money, I would like to see them have a $50 million endowment." He added that he "would like to see the foundation continue to grow as a supportive arm of the university but be independent enough to make the decisions of support that are necessary to meet the day that it's in."[30]

Why was the future of the NIU Foundation looking so bright? What made the NIU Foundation a great support agency for Northern Illinois University? Former legal counsel John Templin believed there was a good future ahead because "there have always been people in and around the foundation who energetically devoted their time and their effort to promoting the foundation,

going all the way back to Paul Alongi."[31] Richard Ubl, Executive Director, was judged "a very capable individual." Templin said, "He's aggressive and he's hardworking. There was a substantial upgrading and improvement after he got involved." Templin reflected that someday when people look back on the foundation's history, they will see that it is much larger and constantly growing because Ubl "had some visions and gave some leadership and because he was the Bohemian that he is--keep it right, keep it honest, keep growing. Don't be afraid to try."[32] There was also strong leadership in President Stephen Horvath. Ubl said, "He's a very strong type of individual, a very good leader. He gets things done quickly as president of the foundation. The board loves the guy because he gets things done! If you go one to ten, Horvath's leadership is of the tenth level."[33]

Individuals also had memories of their own work with the foundation and the university. Ubl reminisced:

> Of all the frustrations, it (the hardest) is that we haven't been able to get that message out in terms of who and what Northern Illinois University really is. People who come out here are shocked. They can't believe the place. We just have not been able to create the image of what the university is and how good it really is. I'd put this up with most institutions not only here in this state but in the country as far as educational quality and experience.[34]

Horvath looked back on his years with the foundation and saw the greatest contribution as flexibility. "The greatest thing has been that we've not been so entrenched in operating in one particular manner or for one particular program. We've had the flexibility to adjust with the times to meet the needs of the university as well as the minds of the board as we've gone along."[35]

Roy France summed up what life was like working for the foundation:

> You got some sense of accomplishment there, or some sense that you were doing something worthwhile--and seeing the foundation develop and grow--that was the best part![36]

Ubl stated, "As the Foundation enters the 1990s and looks forward to a new century, growth will continue at a more rapid pace. The alumni are maturing and becoming more prosperous, industry is beginning to recognize the value of the university, and the university has slowly changed its image from a small teachers' college to a major research oriented university that serves not only the region but the nation."[37]

People at the university looked at its history since World War II. Among the most amazing developments was the foundation's growth. The NIU Foundation had started as a small, humble shoe box operation and became what one might call a million dollar minuteman, ready at a moment's notice to give support to Northern Illinois University.

ENDNOTES

Chapter One

[1]Memorandum from Emil Anderson to President Leslie Holmes, March 17, 1949, Box 21, folder 32, The Northern Illinois University Foundation Papers, Earl W. Hayter Regional History Center Archives. (Collection hereafter cited as Foundation Papers, RHC.)

[2]Ibid.

[3]Northern Illinois University Foundation, Articles of Incorporation, 31 March 1949, Archives of the Northern Illinois University Foundation, Lowden Hall, Northern Illinois University, DeKalb, Illinois. (Hereafter cited as Foundation Archives.)

[4]Emil Anderson, Memorandum to President Holmes, 27 October 1949, Box 1, folder 1, Foundation Papers, RHC.

[5]Northern Illinois University Foundation. Board of Directors of Northern Illinois University Foundation, Minutes, 4 April 1950, Foundation Archives. (Hereafter cited only as Board of Directors, Minutes.)

[6]Ibid., June 19, 1950.

[7]Ibid., June 18, 1951.

[8]Northern Illinois University Foundation, Executive Committee, Minutes, 21 October 1952, Foundation Archives.

[9]Board of Directors, Minutes, 21 October 1952 and 16 December 1952, Foundation Archives.

[10]Ibid., 16 February 1954.

[11]Philip L. Shields, memorandum to Harold Dorland, 4 June 1963, Box 1, folder 11, Foundation Papers, RHC.

[12]Harold Dorland to Mr. Chauncey Watson, Sr., letter of 20 January 1959, Box 1, folder 11, Foundation Papers, RHC.

[13]Board of Directors, Minutes, 3 November 1959, Foundation Archives.

[14]Ibid., 2 November 1960.

[15]Procedures in Administering Foundation Loans, Box 1, folder 11, Foundation Papers, RHC.

[16]Board of Directors, Special Meeting, Minutes, 7 May 1962, Foundation Archives.

[17]Harold Dorland, oral history interview with Valerie Quinney, 9 November 1988, DeKalb, Illinois, 1:405, Oral History of the Northern Illinois University Foundation, RHC. (Hereafter cited only by interviewer, interviewee, place and date. The first number refers to the tape side; the second number refers to the tape counter indicator.) See also Resolution Authorizing the Securing of Funds for the Purchase of Furniture and Equipment, 27 June 1962 and Resolution, 21 May 1962, Box 1, folder 11, Foundation Papers, RHC.

[18]Harold Dorland to R. A. Stripe, 28 May 1963, Box 3, folder 1, Foundation Papers, RHC.

[19]Board of Directors, Special Meeting, Minutes, 19 November 1963, Box 1, folder 3, Foundation Papers, RHC.

[20]Charles Bradt, oral history interview with Valerie Quinney, 7 November 1988, in DeKalb, Illinois, 1:363.

[21]Roy France, oral history interview with Willa Cramton, 14 November 1988, in DeKalb, Illinois, 1:126.

[22]Dorland 1:548.

[23]Dr. J. A. Spickerman, speech to the members of the Alumni Association Executive Board, Alumni Association Executive Board meeting, Minutes, 15 March, 1961, Box 1, folder 10, Foundation Papers, RHC.

[24]Melvin Nickerson to Harold Dorland, 22 August 1963, Box 1, folder 11, Foundation Papers, RHC.

[25]Ibid.

[26]John Sayre, oral history interview by telephone with Valerie Quinney, 10 November 1988, at Petersburg, Illinois, and DeKalb, Illinois, 1:138.

[27]Ibid., 1:380.

[28]Ibid., 1:121.

[29]Ibid., 1:262.

[30]Board of Directors, Special Meeting, Minutes, 12 December 1965, Box 1, folder 3, Foundation Papers, RHC.

[31]Sayre 1:186.

[32]President Leslie Holmes to Dr. J. Howard Nelson, 9 December 1966, Box 21, folder 32, Foundation Papers, RHC.

[33]"Partial Unrefined Results from Need Determination Survey for Educational Fund Raising," 21 June 1967, Box 2, folder 2, Foundation Papers, RHC.

ENDNOTES

Chapter 2

[1]Background about NIU in this period is drawn from Earl W. Hayter, Education in Transition: The History of Northern Illinois University (DeKalb: Northern Illinois University Press, 1974), particularly 431-75. Statistics on growth may be found in Hayter, 517-22.

[2]Address of Rhoten A. Smith, "New Era at Northern Illinois University," in Elevating Excellence: Proceedings of the Second Annual Leadership Conference at Northern Illinois University, co-sponsored by NIU and the NIU Alumni Association, 30 September 1967, DeKalb, IL, Box 5, folder 2, Foundation Papers.

[3]France 1:240, 2:247. John Templin, oral history interview with Lisa Dutour, 14 November 1988, in DeKalb, Illinois, 1:181. Richard Nelson, oral history interview with Nancy Thornton, 14 November 1988, in DeKalb, Illinois, 1:404. Stephen J. Horvath, oral history interview with Dennis Read, 10 November 1988, in Oak Lawn, Illinois, 1:122.

[4]Northern Illinois University Foundation, Board of Directors, Minutes, 12 December 1965, Box 1, folder 3, Foundation Papers, RHC.

[5]Hayter, Education in Transition, used "Agony of Change" for the title of his chapter dealing with the period of Rhoten Smith's presidency, which was also a time of student protest.

[6]Northern Illinois University Foundation, Constitution, June 17, 1968, Section II, "General Membership," Box 1, folder 2, Foundation Papers, RHC. For positive attitudes about expanded membership, see Milton Smith's comments in Board of Directors, Minutes, 12 December 1965, Box 1, folder 3, Foundation Papers; Minutes, 24 January 1968, Box 1, folder 4, Foundation Papers, RHC; France 1:449.

[7]France 1:470.

[8]Minutes of the board of directors meetings show the evolving fund raising program. As early as 8 December 1964 the president of the foundation, Judge Spitz, had voiced the need for an informational leaflet to outline the aims of the foundation, but it was delayed, pending the hiring of a full-time development staff person. When that staff person, John Sayre, first met with the board of directors in a special meeting on 12 December 1965, he had consolidated the plans which the foundation had been discussing, into an eight-point proposal, as described in Chapter 1. See Box 1, folders 3, 4, Foundation Papers.

[9]General information about the campaign is drawn from correspondence and publications in the "Commitment to Excellence" files, Box 5, folders 2, 3, Foundation Papers, RHC.

[10]Board of Directors, Minutes, 15 January 1969, Box 1, folder 5, Foundation Papers, RHC.

[11]John M. Sayre, Report, 28 April 1969, Box 5, folder 3, Foundation Papers, RHC.

[12]Educational Fund Raising Program, Progress Report, 10 June 1969, 17 June 1970, Box 5, folder 4, Foundation Papers; Ibid., 20 January 1971, Box 27, folder 36, Rhoten Smith (Presidents') Papers, RHC.

[13]Nelson 1:086.

[14]Executive Committee Minutes, 12 April 1968, NIU Foundation Papers, box 3, folder 8; Board of Directors, Minutes, 19 June 1968, 15 January 1969, 11 June 1969, Box 1, folders 4, 5, Foundation Papers, RHC.

[15]Anticipating eventual authorization from the board of regents to purchase the president's house, the foundation bought the lot next door 23 March 1968 when it was offered for sale because it would be needed for parking and a room addition. Technically, this lot was the foundation's first land acquisition, predating the Skorberg-Gillen group by two months. John Sayre 2:280. Board of Directors, Minutes, 24 January, 19 June, 22 October 1968, 14 January 1970, Box 1, folders 4, 5, Foundation Papers, RHC.

[16]France 2:001.

[17]Board of Directors, Minutes, 15 January 1969, Box 1, folder 4, Foundation Papers, RHC.

[18]Northern Illinois University Foundation, Investment Policy Statement, 14 January 1970, Box 1, folder 1, Foundation Papers, RHC. France 1:519, 2:001, 2:022, 2:032, 3:040; Dorland 1:200.

[19]"NIU Foundation Awards Program" [summary, 1978], Box 6, folder 4, Foundation Papers, RHC.

[20]Board of Directors, Minutes, 2 June 1966, Box 1, folder 4, Foundation Papers, RHC. Educational Fund Raising Program, Progress Report, 18 June 1968, 10 June 1969, 17 June 1970, Box 5, folder 4 Foundation Papers, RHC.

[21]NIU Foundation Financial Report, FY ending 31 May 1970. Rhoten Smith Papers, Box 27, folder 36, RHC. Board of Directors, Minutes, 19 June 1968, 15 January 1969, Box 1, folder 4, Foundation Papers, RHC.

[22]Hayter, Education in Transition, 436.

[23]France, 3:366, 376, 383.

[24]1968 Inaugural Committee, Minutes, November 1967-January 1968, Box 37, folder 1, Rhoten Smith Papers, RHC.

[25]Executive Committee, Minutes, 15 February 1968, Box 3, folder 8, Foundation Papers, RHC. France 2:081. Letter from John Sayre to Dr. Gilbert Fullington, 15 February 1968, Box 5, folder 6, Foundation Papers, RHC.

[26]France 2:81, 145. Executive Committee, Minutes, 5 March 1968, Box 3, folder 8, Foundation Papers, RHC. Letter of agreement from NIU Foundation Executive Committee to Perls Galleries, 8 March 1968, Box 5, folder 6, Foundation Papers, RHC.

[27]Educational Fund Raising Report 1967-68, Box 5, folder 6, Foundation Papers, RHC. All examples of "Le Baron" fund raising attempts are extracted from the papers in the same folder entitled, "Sculpture Acquisition Program: Le Baron." Further general statements about materials in this folder will be cited as "Le Baron" file.

[28]France 2:081; Bradt 2:153.

[29]DeKalb (Illinois) Northern Star, 26 March, 1 April, 7 May, 1968.

[30]"An interested on-looker," to Dr. William Seat, 1 May 1968, "Le Baron" file.

[31]Northern Star, 21 February 1968.

[32]Undated letter in "Le Baron" file.

[33]Nelson 1:230.

[34]"Statement of John Sayre at the dedication of 'Le Baron,' May 23, 1968," "Le Baron" file.

[35]Executive Committee, Minutes, 18 March, 16 December, 1970, Box 3, folder 8, RHC. Letter of Stephen J. Horvath to President Richard J. Nelson, 30 January 1973, Box 5, folder 6, Foundation Papers, RHC.

[36]Sayre 2:188; France 2:145.

[37]Sayre 2:072.

[38]France 2:474.

[39]Board of Directors, Minutes, 17 June 1970, Box 2, folder 5, Foundation Papers, RHC. Educational Fund Raising Program, Progress Report, 20 January 1971, Box 27, folder 36, Rhoten Smith Papers, RHC.

[40]Horvath 2:132.

[41]Northern Illinois University Foundation, Constitution and Bylaws, adopted 17 June 1970, Box 1, folder 2, Foundation Papers, RHC. Hayter, Education in Transition, 439-40.

[42]John M. Sayre to NIU Foundation members, 31 March 1970, Box 2, folder 2, Foundation Papers, RHC.

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Chapter Three

[1]Northern Illinois University Foundation. Balance sheet, 31 December 1970, Foundation Archives.

[2]Ibid.

[3]Board of Directors, Minutes, 20 January 1971, Foundation Archives.

[4]Roy France to Bill Banfield, 19 December 1972, Foundation Archives.

[5]Board of Directors, Minutes, 16 June 1972, Box 1, folder 5, Foundation Papers, RHC.

[6]Roy France to Kenneth Miller, 22 February 1972, Box 2, folder 3, Foundation Papers, RHC.

[7]Board of Directors, Minutes, 20 January 1971, Foundation Archives.

[8]Northern Star, 14 September 1971, RHC.

[9]Dorland 2:253.

[10]Who's Who in America, vol. 36, 1970-71, (Chicago: Marquis Who's Who, Inc. 1972) p. 809.

[11]General Membership, Minutes, 16 June 1972, Box 1, folder 6, Foundation Papers, RHC.

[12]William Banfield to foundation board members, 10 April 1972, Box 2, folder 3, Foundation Papers, RHC.

[13]Memorandum to President Nelson, et al, from F. Geigle, 2 May 1972; Memorandum to Geigle from Roy France, 17 May 1972, Box 2, folder 3, Foundation Papers, RHC.

[14]Richard Ubl, oral history interview with Dennis Read, 4 November 1988, in DeKalb, Illinois, 1:056.

[15]Horvath 2:360.

[16]Memorandum: Office of Development, undated, (1971?), Box 2, Foundation Papers, RHC.

[17]Horvath 3:99.

[18]General Membership, Minutes, 6 June 1972, Box 1, folder 6, Foundation Papers, RHC.

[19]Ibid.

[20]France 1:352.

[21]William Banfield to Richard Nelson, 13 January 1972, Box 2, folder 3, Foundation Papers, RHC.

[22]NIU Foundation, Annual Report, 1972-73, Box 3, folder 6, Foundation Papers, RHC.

[23]Horvath 3:001.

[24]Board of Directors, Minutes, 16 June 1972, Foundation Archives.

[25]Memorandum to NIUAA Board of Directors from F. Geigle, 23 September 1972, Box 3, folder 6, Foundation Papers, RHC.

[26]Board of Directors, Minutes, 19 January 1972, Foundation Archives.

[27]Ibid.

[28]Board of Directors, Minutes, 16 June 1972, Foundation Archives.

[29]Paul Alongi, telephone interview with Valerie Quinney, Sarasota, Florida, and DeKalb, Illinois, 15 November 1988.

[30]NIU Foundation, Annual report 1972-73, Box 3, folder 6, Foundation Papers, RHC.

[31]Board of Directors, Minutes, 17 January 1973, Foundation Archives.

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Chapter Four

[1]Board of Directors Meeting, Minutes, June 1972, Foundation Archives.

[2]Horvath 3:203.

[3]Horvath 3:133-37.

[4]Ubl 1:006-017.

[5]Horvath 3:052

[6]Ubl 1:006-017.

[7]Horvath 4:313-62.

[8]Horvath 2:295-99, 2:394-97.

[9]Executive Committee Meeting, Minutes, 23 April 1974, Foundation Archives.

[10]Ubl 1:086-106.

[11]Executive Committee Meeting, Minutes, 10 September 1974, Foundation Archives.

[12]Ibid., 12 November 1974.

[13]Ubl 1:070-85.

[14]Ibid., 1:112-34.

[15]Ibid., 1:107-25.

[16]Executive Board Meeting, Minutes, 10 September 1974 and 10 December 1974, Foundation Archives.

[17]Horvath 4:399-40.

[18]Executive Board Meeting, Minutes, 11 March 1975, Foundation Archives.

[19]Ubl 1:350.

[20]Ibid., 1:350-70.

[21]Executive Committee Meeting, Minutes, 9 September 1975, Foundation Archives.

[22]Ubl 1:266-95.

[23]Executive Committee Meeting, Minutes, 11 March 1975, Foundation Archives.

[24]Ibid., 22 January 1975, Foundation Archives.

[25]Ibid., 10 December 1974, Foundation Archives.

[26]Annual Meeting, Minutes, June 1975, Foundation Archives.

[27]Ubl 2:027-89.

[28]Executive Committee Meeting, Minutes, 1 May 1975, Foundation Archives.

[29]General Meeting, Minutes, 18 June 1975, Foundation Archives.

[30]Board of Directors Meeting, Minutes, 19 January 1977, Foundation Archives.

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Chapter Five

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